MANAGEMENT AND ACCESS CHALLENGES ACROSS SOUTHWESTERN FORESTS

OVERSIGHT FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON FORESTS AND FOREST HEALTH

OF THE

COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES

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C O N T E N T S

OVERSIGHT FIELD HEARING ON MANAGEMENT AND ACCESS CHALLENGES ACROSS SOUTHWESTERN FORESTS

Monday, December 15, 2003
U.S. House of Representatives
Subcommittee on Forests and Forest Health
Committee on Resources
Grants, New Mexico

The Subcommittee met, pursuant to call, at 10 a.m., at the Campus Auditorium, NMSU, Grants, New Mexico, Hon. Stevan Pearce presiding.

STATEMENT OF THE HON. STEVAN PEARCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. PEARCE. The Subcommittee on Forests and Forest Health will come to order. The Subcommittee is meeting here today to hear testimony on "Management and Access Challenges Across the Southwestern Region Forests.".

We're going to begin our program with, first of all, the posting of colors by the Grants High School ROTC. We'll then have an invocation, which is going to be led by Pastor Clemente Saavedra. The Pledge of Allegiance will be led by Sergeant Manuel Atencio, and Ken Moore then is going to present God Bless America for us. We will not have introduction of the different components at this beginning phase, we will simply transition through them. And at this time if I could have everyone stand for the Presentation of the Colors.

[Whereupon the Colors were posted.]

Mr. PEARCE. If you would please now join me for the Pledge of Allegiance.

[Whereupon the Pledge of Allegiance was said.]

Pastor SAAVEDRA. God bless you this morning. I find it a great privilege to be able to bring this prayer to you this morning so God will lead you and guide you in everything. And I think it's very appropriate that I would read Psalm 23, where it says, "The Lord is my shepherd, I will not lack nothing. He makes me lie down in green pastures; He leads me beside quiet waters; He restores my soul. And He guides me in the path of righteousness for His name's sake. For though I walk through the valley of the shadow of death, I will fear no evil; for You are with me; Your rod and Your staff, they comfort me. You prepare a place, a table before me in the

presence of my enemies; You anoint my head with oil; my cup overflows. Surely goodness and love will follow me all the days of my life, and I will dwell in the house of the Lord forever.''.

Shall we bow our heads to pray. Our Heavenly Father, we come before You this morning, Lord, and I ask You, Lord, for each and every person in this place, that tonight that You will guide them; that You will help them; that You will be with them in everything that they do tonight in this place this morning. And also guide the Congressmen that are here, that You will lead them also, God, that You will help them; that Your mighty hand will be upon them, God, that they will be able to lead whatever they are going to be doing this morning. God, whatever takes place, that it will be all for Your glory and for Your honor, God, and that You will help each and every person that has a part and participates in this meeting this morning, Lord. And I ask You, God, that You will just bless them and help them.

[Whereupon there was a prayer said in Spanish.]

[Whereupon God Bless America was played on the harmonica by Ken Moore.]

Mr. PEARCE. Thank you, Ken. We will keep our troops in our thoughts and prayers. It's still a very dangerous situation, and we are making headway and good progress, but danger remains daily.

The listening audience today includes the listeners of KMIN radio, and we appreciate them broadcasting this Congressional Hearing. It's important for all of the information that we present to be available to the general public as well as back in Congress.

We are joined today in this field hearing by staffers from Washington, Teresa Fierro and Erica. They both are here representing the staff and will see that the transcript and the things that are said here today are presented formally to the Resources Committee to the Forests Subcommittee.

I want to welcome everyone today to this Resources Committee field hearing. I appreciate all of the witnesses who have traveled long distances to present their testimony. I look forward to hearing the testimony. Our national forests are treasuries for New Mexico and for the nation. Forests provide unique and varied recreational opportunities for our citizens.

In New Mexico our forests provide much of the water that flows into our streams and rivers, water that New Mexicans use to drink, to irrigate, to provide water for the livestock. Our forests provide water for our communities, our businesses and people, as well as the habitat for livestock, for wildlife, often at great distances from the forests themselves, the effects are felt.

The forests also provide timber to construct our homes, schools and churches, and they provide jobs for rural communities. Our forests are a dynamic interrelated ecosystem that have a tremendous impact on all the lands in New Mexico, including private, state and tribal lands.

Today witnesses will discuss with us how the management of the Southwestern national forests impacts state and tribal lands, private property, and communities located near our forests. Hopefully we can all learn from each other and continue to work together to improve the health of our forests, as well as improve the lives of the residents who live in the forest communities. Our forests are

a precious resource and an asset we must protect. We have a responsibility to insure that we leave them in good health for our children and for future generations.

Recently Congress passed the Healthy Forests Restoration Act, and it was signed into law. This law will allow us to begin to thin our overgrown forests and restore the health and vitality of New Mexico's forests instead of leaving our forests vulnerable to infestations of disease and, ultimately, catastrophic wildfire.

These wildfires that burn with such intensity are not natural. They damage the forests to the point where new trees will not grow for generations. They also pollute our air and our water. By cleaning our forests we will reduce the intensity of naturally recurring fires, return our forests back to healthy natural states, where we can leave them as a legacy to our children and grandchildren.

For me, the point of this Congressional Hearing is obvious, we've passed a law in Congress and we intend for the agencies to understand the Congressional intent. Many of the comments and questions today will be to clarify exactly what the Congressional intent was in this piece of legislation.

Many times agencies and bureaucracies, either because they do not understand or because they have their own agendas, drive away from the Congressional intent; and it's the purpose of this hearing to establish that intent very firmly in the minds of the people in the Second District, that we might hold ourselves accountable.

The first panel that we have include witnesses, Mr. Harv Forsgren, the Regional Forester for Region III, New Mexico and Arizona, U.S. Forest Service, accompanied by Mr. Jose Martinez, the Forest Supervisor of the Lincoln National Forest, and Mr. Arthur "Butch" Blazer, the New Mexico State Forester.

[The prepared statement of Mr. Pearce follows:]

Statement of The Honorable Stevan Pearce, a Representative in Congress from the State of New Mexico

I want to welcome everyone here today to the Resources Committee Subcommittee on Forest and Forest Health field hearing on Management and Access Challenges Across Southwestern Forests. I appreciate all the witnesses who traveled long distances to present their testimony, and I look forward to hearing that testimony.

Our National Forests are a treasure for New Mexico, and for the nation. Forests provide unique and varied recreational opportunities for our citizens. In New Mexico, our forests provide much of the water that flows in our streams and rivers; water that New Mexicans use to drink, irrigate crops and water livestock. Our forests provide water for our communities, our businesses and people, as well as habitat for wildlife, often at great distances from the forests themselves. The forests also provide timber to construct our homes, schools and churches, and they provide jobs for rural communities.

Our forests are dynamic, interrelated ecosystems that have a tremendous impact on all lands in New Mexico, including private, state and tribal lands. Today, witnesses will discuss with us how the management of Southwestern National Forests impact state and tribal lands, private property, and communities located near our forests. Hopefully, we can all learn from each other and continue to work together to improve the health of our forests, as well as improve the lives of the residents who live in forest communities.

Our forests are a precious resource and an asset we must protect. We have a responsibility to ensure we leave them in good health for our children and for the future. Recently, Congress passed the Healthy Forest Restoration Act, and it was signed into law. This law will allow us to begin to thin our overgrown forests and restore the health and vitality of New Mexico's forests, instead of leaving our forests vulnerable to infestation, disease and ultimately, catastrophic wildfires.

These wildfires that burn with such intensity are not natural, and damage the forests to the point where new trees do not grow for generations. They also pollute our air and our water. By cleaning our forests, we will reduce the intensity of naturally occurring fires, and return our forests back to a healthy, natural state that we can leave as a legacy to our children and grandchildren.

Mr. PEARCE. The Resources Committee has a policy of swearing in all of the witnesses, and if you all would please stand and take your oath.

[Witnesses sworn.]

Mr. PEARCE. Thank you. Let me remind the witnesses that under our Committee Rules you must limit your oral statements to five minutes. Your entire statement will appear in the record of these proceedings and will be a part of the transcripts that are given to the full Committee.

And given that, I now recognize Mr. Forsgren for his statement for five minutes.

STATEMENT OF HARV FORSGREN, REGIONAL FORESTER, REGION 3, NEW MEXICO AND ARIZONA, U.S. FOREST SERVICE, ACCOMPANIED BY JOSE MARTINEZ, FOREST SUPERVISOR, LINCOLN NATIONAL FOREST

Mr. FORSGREN. Congressman Pearce, thank you for the opportunity to be here today to discuss with you management challenges of the forests and grasslands in the Southwestern Region and, more specifically, the national forests in New Mexico. My name is Harv Forsgren. I am Regional Forester of the Southwestern Region of the Forest Service.

At the outset I want to thank you and other members of Congress for your leadership during consideration of H.R. 1904, the Healthy Forests Restoration Act of 2003, signed into law by the president earlier this month. Nowhere will this law have more positive effect than here in the Southwest.

The Forest Service's Southwestern Region encompasses over 21 million acres of National Forests and Grasslands in Arizona, New Mexico and the panhandles of Texas and Oklahoma. As Regional Forester I am working to focus our resources and efforts in three areas:

First, to restore the ecological functionality of Southwestern forests and grasslands.

Second, to help communities protect themselves from the threats of wildfire.

And third, to contribute to the economic vitality of local communities.

These three priorities are inseparably connected. Although we're quick to recognize the benefits communities derive from healthy forests, in the Southwest the health of our forests is dependent upon the economic vitality of local communities—specifically the presence of infrastructure to utilize the biomass that must be removed from our forests to restore their health.

We're all familiar with the factors contributing to the current state of our forests and grasslands; nearly 100 years of effective fire suppression, five to 7 years of crippling drought, insect and disease infestations, increasing demands for limited forage from wild

ungulates, and encroachment on pinon-juniper stands into grasslands.

While the challenges we face in restoring forest and grassland health may seem daunting, I am nevertheless, very optimistic for our opportunities for success.

One reason for that optimism is legislation passed by Congress last year. Stewardship contracting authority is one of the most important pieces of conservation legislation to come along in my career. Given the geographic scale of the ''forest health'' issue in the Southwest we cannot expect Congress to appropriate sufficient funds to cut and dispose of the biomass that must be removed from our forests. Such a solution is neither economically nor environmentally viable.

Stewardship contracting provides two important new authorities that will help facilitate private investment in infrastructure needed to utilize the small diameter materials that are choking our forests. First, under Stewardship contracting authority we are able to enter into contracts which range up to 10 years in length, providing greater surety of supply and raw materials. Second, under this new authority we are able to trade what value there is in the material to help offset the cost of removal—essential to stretching finite resources to treat more acres.

However, stewardship contracting is no silver bullet. We will still need to meet the full suite of laws, regulations and policies. We will still need to find—or to fund treatments that won't pay for themselves. And here in the Southwest that will be typical of our stewardship contracting projects. But stewardship contracting in concert with the Healthy Forests Restoration Act and the administrative steps being taken under the president's Healthy Forest Initiative will enable us to accomplish much more as less cost in the future.

I'd also like to address another significant management challenge we face in the Southwestern Region—rangeland management. Livestock grazing on national forests is a time-honored and legitimate use of public lands. A healthy livestock industry contributes significantly to community vitality.

Although light to moderate precipitation has been received recently over most of Arizona and New Mexico, the ongoing drought continues to plague the region. As a result, rangelands are experiencing soil moisture deficits that affect virtually every physiological process in plants.

The region is acutely aware of range administration concerns being expressed by permittees, industry representatives and elected officials. I have met personally with many permittees and industry representatives and listened carefully to what they've had to say. Forest Supervisors, Rangers, and range specialists have done likewise. As a result we've identified a number of steps that I feel begin to address data concerns. I'd be happy to enumerate those steps during the discussion period.

The region is being as flexible as possible in allowing changes in use and finding alternative forage resources on a case-by-case basis while making sure our decisions comply with Federal laws and are consistent with good land stewardship. Although much has been

accomplished, we recognize the opportunity to do more and have a number of actions in progress.

To address the continuing cycle of appeals and litigation I'm committed to streamlining compliance with the Endangered Species Act and meeting Congressional intent regarding a National Environmental Policy Act analysis of grazing allotments. The region has an aggressive schedule to bring all grazing allotment into compliance with NEPA by 2010, which will require completing NEPA on about 110 allotments per year.

In closing, we will continue to address the threats to the health of our forests and grasslands in the Southwestern Region during this period of severe drought. To be successful, we recognize we must and we're committed to continue working with all who have a stake in the management of the national forests. That concludes my prepared remarks.

Mr. PEARCE. Mr. Forsgren, thank you for your testimony.

[The prepared statement of Mr. Forsgren follows:]

Statement of Harv Forsgren, Regional Forester, Southwestern Region, USDA Forest Service

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to be with you today to discuss the management challenges of the forests and rangelands in the Southwestern Region and, more specifically, the national forests in New Mexico. My name is Harv Forsgren. I am the Regional Forester for the Southwestern Region of the Forest Service. With me today is Jose Martinez, Forest Supervisor of the Lincoln National Forest, and Steve Libby, Resource Staff Officer on the Gila National Forest.

At the outset, Mr. Chairman, I want to thank you and other members of this Committee for your leadership during consideration of H.R. 1904, the Healthy Forests Restoration Act of 2003, signed by President Bush earlier this month. I believe this new law will have a significant positive effect here in the Southwest.

The Southwestern Region encompasses over 21 million acres of National Forests and Grasslands in Arizona, New Mexico and the panhandles of Texas and Oklahoma. Our statutory mission is to manage these lands for multiple-use while sustaining health, diversity, and productivity. Here in New Mexico, the Forest Service manages over nine million acres of forest and rangelands for a multitude of purposes, including livestock grazing, mining, utilization of forest products, recreation, and watershed protection.

As Regional Forester I am focusing our resources and efforts in three areas:

- Restore the ecological functionality of Southwestern forests and range lands;
- Help communities protect themselves from the threats of wildfire; and
- Contribute to the economic vitality of local communities.

These three priorities are inseparably connected. Although we are quick to recognize the benefits communities derive from healthy forests, in the Southwest the health of our forests is dependent upon the economic vitality of local communities—specifically the presence of infrastructure to utilize the biomass that must be removed from those forests to restore their health.

The most significant land health challenge we face in the Southwest is captured by one startling statistic:

Of the 21 million acres of National Forest System lands in the Southwestern Region, more than 80 percent of that acreage is at moderate to high risk of uncharacteristic wildfire. I say "uncharacteristic" not because fire is an unnatural feature of our forests—it is not! Historically, about 85 percent of the landscape burned very frequently, but at low intensity. Rather, I use the word "uncharacteristic" because the current condition of our forests results in fires that are unnaturally large and intense. These fires can severely damage our watersheds. They can alter soils, reducing their ability to capture and hold moisture, accelerating erosion, and deteriorating water quality. These fires destroy important wildlife habitats and remnant old growth stands, and hurt visual quality. As we have seen in New Mexico, and more recently in southern California, these fires can also destroy lives, property and local economies.

Due to effective fire suppression for most of the last century, our Ponderosa Pine forests that were once open and park-like, supporting between 50 and 200 trees per

acre, are today a dense tangle of up to 2,000 trees per acre. Our forests are literally choking themselves to death.

Our current drought is making matters worse. Drought-stressed trees are unable to fend off attacks from insects. The Southwest's landscape is now blanketed by hundreds of thousands of acres of red—then brown—pinyon and Ponderosa Pine forests killed by insects, further adding to the fire danger.

In addition, here in New Mexico over the last 50 years we have lost about one percent of our ranges each year to pinyon-juniper encroachment, which has adversely affected forage and water availability. And the expansion of the elk population in some areas of the state has resulted in competition for forage which has been limited by woody vegetation encroachment and continued drought.

Restoring the health of our forests and rangelands, and securing the associated benefits for future generations will require both active management and naturally occurring wildfire. Simply stated, we need to thin our forests by reducing the total biomass, removing the excess number of trees and carefully reintroducing fire into our forests.

The picture I have painted of the challenges we face in restoring forest and grassland health may seem daunting. Nevertheless, I'm very optimistic about our opportunity for success.

Healthy Forest Initiative

One reason for that optimism is the President's Healthy Forest Initiative. The administrative, regulatory and legislative actions resulting from this focus on active management have given our land managers more tools—including stewardship contracting authority. This is one of the most important conservation initiatives to come along in my career. Given the geographic scale of the "forest health" issue in the Southwest, we cannot effectively address our forest health issues without additional private sector involvement. The Consolidated Appropriations Resolution, 2003 (P.L. 108–7) contains stewardship contracting authorities that may help facilitate industry investment in infrastructure needed to utilize the small diameter materials that are choking our forests.

We will still need to meet the full suite of applicable laws, regulations and policy. We will still need to fund treatments from appropriated funding that won't pay for themselves, and in the Southwest that will be the rule rather than the exception. But stewardship contracting coupled with the Healthy Forests Restoration Act and other tools provided in the Healthy Forest Initiative will enable us to accomplish more in the future. For all of this work, it is critically important to work collaboratively with local communities and other government agencies.

Moreover, stewardship contracting, service contracts, and forage utilization through livestock grazing can provide opportunities for local communities to obtain resources for their use, needs, and for selling to others.

Providing Local Assistance

Much forest restoration work accomplished in New Mexico is already done cooperatively with the New Mexico Forestry Division and many other Federal, State and local entities. In Fiscal Year 2003, Region 3 received $33 million for hazardous fuel treatment and treated about 71,000 wildland urban interface acres and about 54000 non-WUI acres. For example, from 2001 though 2003, over $26 million in grants were awarded through our State and Private Forestry Programs. This assistance has been used in helping train and equip rural fire departments. In Fiscal Year 2003 approximately $525,000 in grants were used to assist over 70 rural fires departments in the Region. In addition, in Fiscal Year 2003 the Region has assisted in funding of over 600 thinning and watershed restoration projects on non-federal lands. These programs are helping communities protect themselves and are contributing to the economic vitality of these communities.

Communities can also help themselves. Citizens can take action through the FIREWISE program, which helps people who live, or vacation, in fire-prone areas educate themselves about wildland fire protection. Homeowners can learn how to protect their homes with a survivable space, and how to landscape their yard with fire-resistant materials. A consortium of wildland fire agencies that include the Forest Service, the Department of the Interior, and the National Association of State Foresters sponsor the program.

Rangeland Management

Another significant management challenge we face in the Southwestern Region is rangeland management. Livestock grazing on national forests and grasslands is a legitimate use of public lands. A healthy livestock industry contributes significantly to community vitality and can help us meet our objectives for healthy rangelands.

Although light to moderate precipitation has been received recently over most of Arizona and New Mexico, the ongoing drought continues in the Region. Rangelands are experiencing low soil moisture that affects virtually every physiological process in plants, often resulting in a loss of plant vigor and, in extreme cases, plant mortality. The effects of drought, legal challenges in federal courts, expanding wild ungulate populations, and encroachment of trees and shrubs into rangelands, have all contributed to substantially reducing grazing in the Region.

This Region is acutely aware of rangeland administration concerns being expressed by a wide range of interests. I have met personally with many permittees and industry representatives and listened diligently to what they say. Forest Supervisors, Rangers, and rangeland specialists have done likewise. As a result we have taken a number of steps that I feel begin to address stated concerns. For the sake of brevity I will identify but a few of the more significant steps taken to address these concerns.

- The Region has initiated extensive efforts within New Mexico to collaboratively find solutions to elk/livestock conflicts on National Forest System lands within the State.
- I have directed Forests to maintain open lines of communication and use of third-party scientists and others in the monitoring, administration and planning of national forest and grasslands grazing activities.
- In February of this year I emphasized to Forest Supervisors and Rangers my expectation that they would involve range permittees to a greater extent in rangeland monitoring, development and adaptive management approaches to annual operating instructions, and adjustments to these operating instructions. In addition, I emphasized the application of a "no surprises" principle to communication with permittees, elected officials and other affected interests.

The Region is being as flexible as possible in allowing changes in use—and finding alternative forage resources—while making sure our decisions are consistent with good land stewardship and comply with Federal laws on a case-by-case basis. Additionally, in cooperation with representatives of the livestock industry and conservation entities, the Region has promoted the concept of grass banking as a collaborative means of improving allotment conditions and conducting vegetative improvement work, and as supplemental forage during periods of drought.

Although much has been accomplished, we recognize the opportunity to do more and have a number of actions in progress. To address the continuing cycle of appeals and litigation I am committed to meeting Congressional intent regarding National Environmental Policy Act (NEPA) analysis of grazing allotments. The Region has an aggressive schedule to bring all grazing allotments into compliance with NEPA, which will result in completing NEPA on approximately 110 allotments per year.

Thanks to additional funding in FY 2004, the Region will focus on cooperative monitoring activities in conjunction with grazing permittees. I will have a person in my office devoted entirely to rangeland monitoring, inventories, and assessments, with one of the goals being to develop collaborative rancher monitoring efforts in both Arizona and New Mexico. We aim to develop common protocols, in collaboration with the Universities and the livestock industries in both states, for use and application by both ranchers and Forest Service personnel. The Region is also committing significant resources to Endangered Species Act (ESA) section 7 consultations in order to meet the requirements of ESA in a timely manner.

Solutions to the encroachment of trees and shrubs into southwestern rangelands will be long-term. I am encouraged by the efforts being put forth by both grazing permittees and Forest Service personnel in many parts of the Region to address this problem. Stewardship contracts designed to maintain and restore our watersheds will certainly be part of the long-term solution on rangelands as well.

Conclusion

In closing, we will continue to address the health of the forests and rangelands in the Southwestern Region during this period of severe drought. To be successful, we must continue to work with all who have a stake in the management of the national forests and grasslands. This concludes my prepared remarks. I will be happy to answer any questions you may have.

Mr. PEARCE. I now recognize Mr. Blazer.

STATEMENT OF ARTHUR "BUTCH" BLAZER,
NEW MEXICO STATE FORESTER

Mr. BLAZER. Thank you, Congressman Pearce.

I'd like to thank the Committee for the opportunity to testify today regarding the management of our New Mexico forests. I would like to share with you the concerns of the State Forestry Division regarding the current conditions of our forests and what we are planning to do to address those concerns.

New Mexico Governor Bill Richardson has called for the development and implementation of a statewide plan to address forest health issues within our state. The Governor has placed the responsibility for convening and stewarding the forest health planning process on the Energy, Minerals and Natural Resources Department, Forestry Division. The forest health plan will:

Promote improved forest health conditions in New Mexico through increased coordination of effort and resources.

It will be based on the National Fire Plan, the Ten-Year Comprehensive Strategy and the Implementation Plan of the Western Governors.

It will utilize a collaborative process of input and decisionmaking between the state, Federal agencies, tribes, local governments and the public.

During the course of the year I have met with key management officials within the state, including to my right Mr. Harv Forsgren, U.S. Forest Service; Ms. Linda Rundell, State BLM Director; and others. We have come to consensus that this is the right way to go and we're working hard to get this plan going and off the ground.

New Mexico forests are in an unhealthy state, as Harv mentioned, due to an abundance of fuels, including invasive species and noxious weeds. This condition is exacerbated by drought, which results in susceptibility to wildfire and insect infestation, compromised watersheds and decreased biodiversity. These conditions are common throughout the west are on—and are of the highest priority, as indicated by the National Fire Plan and the Ten Year Comprehensive Strategy.

The climatologists' projections are correct, New Mexico is entering a multi-decadal drought. This follows approximately 25 years of the wettest time in measurable history. The cultural impact from this change could be enormous.

We have seen the beginnings of this change and the catastrophic wildfires that have occurred over the past several years resulting from extremely dry fuels that now exist. Fire behavior and the way in which we fight these wildfires are now being reassessed as a result of these changing conditions.

We have seen the outbreak of bark beetles and the impact that these occurrences have had on our state. As the drought continues similar outbreaks could occur affecting other species across New Mexico.

The New Mexico forest condition is being addressed by the Federal Land Management agencies, tribal, state and local governments, and by private landowners. These efforts have grown and will continue to do so in the coming years. By necessity, some coordination of effort and resources has evolved, especially in the area of wildfire protection.

A good example of that is down in the Ruidoso-Mescalero area. I want to mention that, being that I am a tribal member from the Mescalero Apache Tribe. And this is a very strong and very positive example that I will hope that through our efforts of this plan that we are putting together we will help to create such examples throughout the state.

The New Mexico Forest Health Plan will provide the framework necessary to insure the success of statewide forests health rehabilitation efforts. The plan will identify, prioritize forest health treatment projects, as I just mentioned, opportunities for collaboration, projects that will fast-track rehabilitation progress, improve and streamline funding mechanisms, ways to share resources for greater impact, methods to address backlog projects and acreage. And various team projects and program remedies, such as biomass utilization and research and development, public education and coordination.

The plan will be based on a landscape scale analysis of the work being done to improve forest health at all levels of government, and by the private sector. The analysis will examine statewide forest conditions and risks. Projects that are planned are currently underway; what gaps and backlogs exist, where duplication of efforts reside; what resources are available and what additional resources and capacities are needed.

What the plan is not: The Forest Plan will not authorize projects of treatments; rather, they will help to set goals and strategic priorities. The Forest Health Plan will not second guess or preempt land management decisions; rather, it will work to develop support and infrastructure. The Planning Committee made up of both an executive and planning level group of individuals is extremely diverse. It represents a cross section of many representative groups located within the State of New Mexico. Through this diversity a plan will be developed that addresses the variety of interests and concerns that make up the land management community in our state.

After several initial planning sessions are held—and I might mention that we had our kickoff session last Thursday in Albuquerque and it went extremely well, we are very pleased with the initial coming together of the Committee and the discussions that we had. After several initial planning sessions are held, the Committee will take the show on the road, presenting the planning effort to the public in several town hall sessions held across the state.

Once public input is obtained the information will be utilized by the Committee to develop the final draft of the plan. I believe the New Mexico Forest Health planning process resulting plan will enable land managers within the state to optimize available resources in the restoration of New Mexico forests and our valued watersheds.

The plan will help resource managers develop innovative decisionmaking approaches that will enable our rural communities to assist in this massive endeavor. This is essential. There are not enough tax dollars to deal with the massive rehabilitation situation at hand. Results from this effort will include, not only reduced fuel loads in our forested lands which will equate to reduce fire danger

for New Mexico residents as well as healthier watersheds, but will also increase job opportunities for rural New Mexico. This will not be a simple or quick endeavor. However, by creating this plan our forests and watersheds can be restored and sustained into perpetuity.

Thank you, Congressman Pearce.

Mr. PEARCE. Thank you, Mr. Blazer.

[The prepared statement of Mr. Blazer follows:]

Statement of Arthur L. Blazer, New Mexico State Forester

Introduction

I would like to thank the Committee for the opportunity to testify today regarding the management of our New Mexico Forests. I would like to share with you the concerns of the State Forestry Division regarding the current conditions of our forest, and what we are planning to do to address those concerns.

New Mexico Governor Bill Richardson has called for the development and implementation of a statewide plan to address forest health issues within our state. The Governor has placed the responsibility for convening and stewarding the forest health planning process on the Energy, Minerals and Natural Resources Department, Forestry Division. The forest health plan will:

- Promote improved forest health conditions in New Mexico through increased coordination of effort and resources;
- Be based on the National Fire Plan, the Ten-Year Comprehensive Strategy and Implementation Plan of the Western Governors; and
- Utilize a collaborative process of input and decisionmaking between the state, federal agencies, tribes, local governments and the public.

Over the course of the past year, I have met with key land management officials within the State, such as Harv Foresgren, USFS, Director-Region III, Linda Rundell, State BLM Director and others regarding the development of the statewide Forest Health Plan. The consensus has been to support having the State Forestry Division facilitate the development of this initiative. In October 2003, the State Forestry Division sponsored, along with the Pueblos of Laguna, Acoma and Zuni, as well as the Jicarilla Apache Nation, a tribal Forest Health Forum to inform and update tribes regarding the forest health situation within the State and to invite them to participate in the forthcoming planning process. Those Tribes in attendance agreed to participate and selected their representation to the Forest Health Planning Committee.

Background

New Mexico's forests are in an unhealthy state due to conditions of over-density of fuels, including invasive species and noxious weeds. This unhealthy condition is exacerbated by drought, which results in unwanted conditions of susceptibility to wildfire and insect infestation, compromised watersheds, and decreasing biodiversity. These conditions are common throughout the west and are of the highest priority, as indicated by the National Fire Plan and the Ten Year Comprehensive Strategy.

New Mexico's forest condition is being addressed by the federal land management agencies, tribal, state and local governments, and by private landowners. These efforts have grown and will continue to do so in the coming years. By necessity, some coordination of effort and resources has evolved, especially in the area of wildfire protection. However, as the conditions become more acute, the resulting problems will have an even more devastating effect on the landscape and on the public health and welfare unless swift, effective action is taken.

The need to coordinate the variety of efforts of all of these entities is imperative to an expedient remedy of the forest health condition. Effective coordination, resource allocation, project prioritization and integrated communication are all vital and it is the New Mexico Forest Health Plan that we intend on bringing this into action.

The Forest Health Plan

The New Mexico Forest Health Plan will be the primary vehicle for outlining the steps to, and ensuring the success of, the coordination of the statewide forest health rehabilitation efforts. The plan will identify:

- A prioritization of forest health treatment projects;
- Areas of opportunity for collaboration;

- Projects that will fast track rehabilitation progress;
- Improved and streamlined funding mechanisms;
- Ways to share resources for greater impact;
- Methods to address backlogged progress and acreage; and
- Barriers to implementing projects and remedies for addressing them (i.e., biomass utilization infrastructure development, public education coordination, etc.).

The Plan will be based on a landscape scale analysis of the work being done to improve forest health at all levels of government and by the private sector. This analysis will examine statewide forest conditions and risks; the projects that are currently underway and being planned, and by what entities; what gaps and backlogs exist; where duplication of effort resides; what resources are available, and what additional capacity and resources are needed.

The Plan will include goals, implementation outcomes, implementation tasks and performance measures. Additionally, the Plan will include a monitoring and assessment process for plan implementation to insure that results are to be achieved. Designed into the Plan will be its on-going adaptability, based on annual evaluation of progress.

What the Plan is not:

- The Forest Health Plan will not authorize projects or treatments, rather it will help to set goals and strategic priorities; and
- The Forest Health Plan will not second-guess or preempt land management decisions, rather it will work to develop support and infrastructure.

Planning Process

A multi-layered Planning Committee has been designed to develop the N.M. Forest Health Plan.

The Executive Team, which will have oversight and final approval of the plan, is comprised of the following:

- Joanna Prukop, Cabinet Secretary, N.M. Dept. of Energy, Minerals and Natural Resources;
- Harv Forsgren, Regional Forester (Region III), U.S. Forest Service;
- Linda Rundell, State BLM Director, New Mexico;
- Rosendo Trevino, State Conservationist, Natural Resources Conservation Service;
- Patrick Lyons, New Mexico State Land Commissioner;
- Arch Wells, Rights Protection Officer, SW Region, Bureau of Indian Affairs;
- Roland Johnson, Governor, Pueblo of Laguna; and
- Dale Hall, Regional Director (Region II), U.S. Fish & Wildlife Service.

The Planning Team, which will actually develop the Plan and provide draft review of the document, is comprised of the following:

- Arthur "Butch" Blazer, Division Director, N.M. State Forestry;
- Liz Agpaoa, Forest Supervisor (Cibola NF), U.S. Forest Service;
- Ron Dunton, Deputy State Director, Resources, Bureau of Land Management;
- Dennis Garcia, Asst. Land Commissioner for Natural Resources, N.M. State Land Office;
- Hollis Fuchs, District Conservationist, (Carrizozo), Natural Resources Conservation Service;
- Thora Padilla, Director, Dept. of Natural Resources, Mescalero Apache Tribe;
- Cameron Martinez, Superintendent (Northern Pueblos Agency), Bureau of Indian Affairs;
- Derrith Watchman-Moore, Deputy Cabinet Secretary, N.M. Environmental Dept.;
- Joy Nicholopolos, Supervisor (Region II), Ecological Field Offices, U.S. Fish & Wildlife Service;
- Sterling Grogan, Biologist, Middle Rio Grande Conservancy District;
- Alexious Becenti, Sr., Forest Manager, Navajo Nation Forestry Dept.;
- Michael Nivison, County Partnership Restoration Program (CPR)/Otero County Commissioner;
- Patrick Gannon, Technology Outreach/Community Development, N.M. Economic Development Dept.;
- Debbie Hughes, Executive Director, N.M. Soil & Water Conservation Districts;
- Ann Watkins, Special Assistant, N.M. State Engineers Office;
- Raymond Loretto, Governor, Pueblo of Jemez;
- Robert Sulnick, Campaign Manager, Alliance for the Rio Grande Heritage;
- Rick Baish, Board Member, The Nature Conservancy;
- Dr. John Fowler, Professor, N.M. State University;
- Dr. Wally Covington, Professor, Northern Arizona University;

- Samuel Montoya, Executive Director, N.M. Association of Counties;
- Jens W. Deichman, VP, Environmental Division Manager, URS Corporation;
- Marvin Olson, Consultant, Jicarilla Apache Nation;
- Dr. Ben Brown, Manager, Gray Ranch, Animas Foundation;
- Henry Carey, Director, Forest Trust;
- Sid Goodloe, Rancher, Capitan, N.M.;
- Darlene Koontz, Superintendent, Bandelier National Monument, National Park Service;
- Julie Maitland, Division Director, N.M. Dept. of Agriculture;;
- Todd Schulke, Forest Policy Director, Center for Biological Diversity; and
- Dick Smith, Board Member, N.M. Watershed Coalition

As one can see, the planning committee represents a diverse cross section of the many representative groups located within the State of New Mexico. As a result of this diversity, it is felt that a plan will be developed that will be able to address the many interests and concerns that will need to be dealt with as the plan is constructed.

After several initial planning sessions are held, the Committee will take the show on the road, with the planning effort being presented to the public in several ''town hall'' sessions held across the state. Once public input is obtained, the information will be utilized by the Committee in developing the final draft of the Plan. The final draft is scheduled to be completed by the fall of 2004, with a final, approved plan ready to be presented to Governor Richardson by December 2004.

Summary

If climatologist projections are correct, New Mexico is entering a multi-decadal drought. This follows approximately 25 years of the wettest time in measurable history. The cultural impact from this change could be enormous. We have seen the beginnings of this change in the catastrophic wildfires that have occurred over the last several years, resulting from the extremely dry fuels that are now occurring. Fire behavior and the way in which we fight these wildfires are now being reassessed as a result of these changing conditions. We have seen the outbreak of bark beetles and the impacts that these occurrences have had on our State. As this drought continues, similar outbreaks could occur affecting other species in varying areas of the State.

It is felt that the New Mexico Forest Health Planning effort, and the resulting Plan that will be put into place, will enable our land managers within the State to optimize available resources in the restoration of our New Mexico forests, which includes our valued watersheds. The Plan will assist resource managers in developing innovative methods that will empower our rural communities to assist in this massive endeavor. This is essential. There are not enough tax dollars to deal with this massive rehabilitation situation. Results from this effort will not only be reduced fuel loads out in our forested lands, which will equate to reduced fire danger for our New Mexico residents, and healthier watersheds, but it should also result in jobs for rural New Mexico. By working together, our forest and watersheds can be restored and sustained into perpetuity.

In closing, I want to briefly share with the Committee my thoughts regarding access, specifically commenting on grazing issues on permitted lands within the State. Due to the fact that access issues on state and private lands are dealt with primarily by the State Game and Fish and the State Land Office's, and not State Forestry, I did not cover this issue in detail within my testimony. But, I would like to state that, as a result of the drought situation within our state and due to the importance our states grazing.

Mr. PEARCE. We have some questions that we would like addressed from both of you, if you would. First of all, one of the things that we're finding around the district, Mr. Forsgren, is that several communities would like to use biomass plans to produce energy.

The Catron County Commission is, of course, very involved in a project very much like that. The key element of this is, is having a source of a product of a small diameter trees. What assurances, if that community and that county goes ahead with their plans to build a biomass plant, what assurance can we get as a, as the

Second District, that they'll have trees available, the small diameter trees?

Mr. FORSGREN. Congressman Pearce, as I noted in my statement that those, our part to restore the health of these forests can't be done without the investment of the private sector to utilize that material. We are committed to doing everything within our power, using these new authorities that we've been given, to insure our reliable supply of material where that's possible, so that we will have a way of treating the forests and restoring the health while at the same time protecting these communities.

Mr. PEARCE. Mr. Forsgren, do you have any established procedure that you're going to require of yourself or can you simply internally make the commitment? Is there a procedure that you've established?

Mr. FORSGREN. We've established these as regional priorities. We're redirecting the resources available to us within our authority to redirect those resources. We're bringing to bear other expertise within the agency. For example, we have a national forest products lab in Wisconsin, that we have been working with local communities to help them see what opportunities there are and help them develop opportunities that will be viable.

Mr. PEARCE. How would you perceive that you would proceed if, if you had external groups, external to the Forest Service, bringing lawsuit to try to stop that? What—exactly what—you understand my problem is that if we encourage a county to build a plant and then, for whatever reason, the source of product is not made available and readily available, then we've wasted our—we've wasted our investment.

Mr. FORSGREN. Well, our intent is to bring forward projects that are fully in compliance with the law so that we won't have those projects stopped by litigation. Another of the tools that we receive with this new legislation is some changes to our appeals process that have caused delays to these projects, and those changed regulations and how you do those will be useful in enabling us to bring forward projects in a more timely manner.

Mr. PEARCE. Thank you, Mr. Forsgren.

Mr. Blazer, you have talked about having the massive fire plan, healthy forests initiative work together to establish healthy forests in this state. How long do you perceive, if you can, under best circumstances or worst circumstances, what window could you perceive that actually occurring and when do you think we could hope to see this completed, either under best case or worse case scenario?

Mr. BLAZER. Congressman Pearce, we had this very discussion last week at our kickoff session with the committee members. And in looking at the planning process, we will be going into 2004, we've got our meeting dates pretty well established, and we're looking at having a draft New Mexico Forest Health Plan completed, reviewed and approved by our Executive Committee. And that will be presented to the Governor by the end of next year.

Mr. PEARCE. And then, as far as the carrying out of the completion of it, in other words, we also here wonder about the number of forests that are burning to the ground. And outside Santa Fe we see the millions of trees that have been killed, I suspect, by insect

or disease. When can we hope—when can we as a people, not as Congress, but can we as a people hope that we have reestablished this balance in nature that used to exist normally and naturally through nature?

Mr. BLAZER. Well, as I mentioned in my testimony, this is a massive problem that has been building up over the last 100 years, and then that condition being exacerbated by the drought conditions that we're going into. We're looking at developing a plan that can be implemented and start addressing this situation together.

That will probably take 20 to 25 years to really address this massive problem. What we're looking at having the plan do is, again, by working together with the Federal agencies and the tribes, prioritize the highest, the most critical areas, and start addressing these immediately. And part of that will be taking a look at the life and property most threatened by these conditions within our state.

Mr. PEARCE. Thank you. 20 to 25 years, I think that's something that we could at least begin to—we don't want to sit on the edge of our seat, we need to realize this is a long, sustained effort, both congressionally and from the departments.

Mr. Forsgren, in the past 10 years the number of AUMs per allotment has been drastically cut by the Forest Service. It has an alarming impact on our communities. The AUMs represent the tax base and the counties rely on the tax base in order to fund their activities.

Can you talk about the, why the AUMs have been cut to such a low level and what you all perceive as being the solution to our counties that frankly have just run out of money because the tax base has been either artificially eroded or eroded for purpose?

Mr. FORSGREN. I think there are three factors that are at work at a landscape scale that are affecting the amount of forage space that enables us to permit livestock use on the national forest. But first of all, it is right back to the center issue we've been talking about this morning, and that's the health of our forests and grasslands. As we have more and more woody vegetation on those lands crowding out forage production, there is less forage available. Here in New Mexico we have lost 1 percent of our grassland a year for the last 50 years to woody vegetation encroachment. That significantly compromises the amount of forage available.

The second factor that is at play at a landscape scale here in New Mexico is increased competition for that forage, with an expanding wildlife population, specifically elk. So we have less forage and we have competition for that forage.

The third factor that is in play here across the landscape and, most recently the last five to 7 years depending on where you're at in this state, it has dramatically affected forage production and the health of our rangeland, is the drought situation that we face.

Now, two of those three factors we can do something about, and we're actively engaged in doing something about those things. The drought, though, is not a part that we have an opportunity to determine. But as I mentioned in my testimony, we are trying to build as much flexibility into the system as we can and still, and find an alternative source of support for forage so that we can keep the operators in business during this point and we recognize the importance of doing so.

Mr. PEARCE. Mr. Forsgren, if we were continue that, that particular line of conversation, the number of elk seems to be increasing dramatically and so we're taking AUMs away and yet the number of wildlife is increasing. So it seems that it would be counteracting the correctional effort of taking off animals. What are you all doing with the other departments, Fish and Wildlife or Fish and Game, and any other departments, to really work through this situation?

Mr. FORSGREN. We have got an effort here in New Mexico working across agencies, both Federal and state agencies, principally with the state Department of Fish and Game, to address the situation. We have established three pilot areas across the state specifically work within those communities to identify solutions to their specific problems.

This, this problem that I described, or this challenge that I described is not uniform across the state. Some places it's pretty significant. In some places we're exceeding our utilization standards before we turn livestock out due to the high numbers of elk. In other places there is good balancing numbers and there isn't that sort of problem. So it's, it is unique to specific areas. But our intent is to continue to work closely with the Department of Fish and Game, and other managers that have responsibility, to find solutions and bring a balance in that utilization.

Mr. PEARCE. Is there any current effort to control the population of elk? What is actually being done right now?

Mr. FORSGREN. Again, that's a specific to particular game management units around the state in some places.

Mr. PEARCE. Say in Catron County then, are we doing anything? Do we have the problem under control? Are we doing anything?

Mr. FORSGREN. I couldn't address specifically today for you what's being done in Catron County. I could what's being done on the Lincoln National Forest.

Mr. PEARCE. That's fine, sure.

Mr. FORSGREN. In the Sacramentos where game and fish—we have worked with them to reduce numbers; and the latest figures I saw we have been successful in reducing elk numbers by about 50 percent there. We still are seeing significant elk impacts there and will continue to work with the department to get those into a—get that utilization into a level that is sustainable over the long run.

Mr. PEARCE. The—and I've gone far over what was allotted in time for questioning on this but I think these questions are some of the most critical that face our particular district. I would just close with a comment that for myself, my own perspective, me as a person but also as a congressional representative, a thing that really troubles me is an increasing attitude of omnipotence on the part of our bureaucracies and on the agencies, it plays out so that people who are at risk of losing their entirely livelihood and at risk of losing the ranches, are at risk of losing everything that, that they and the generations before them have put together, are treated usually with disdain and harshness.

That is something that is not limited to the Forest Service or Fish and Wildlife, it's not limited to the IRS, but it's a growing element. There have been difficulties between agencies in my district

and people, almost always we're going to represent those people who don't have a voice, almost always going to take their side if a bureaucracy has been unthinking and harsh and not recognizing what's at stake for these families.

So as we have the opportunity to work together, your agency and our office, keep in mind that's one of the value systems that I bring to the table. And I know that our office has had a lot of discussion and we've seen, we've seen improvement and we appreciate that, but it continues to, to come up all across the country. But I'm not charged representing anywhere in the country, it's just here. And so if you keep that in mind.

The last question I have, I agree I was not going to ask it, but I would; how many timber sales have we had in the last 2 years? And if we haven't, why do we not have timber sales?

Mr. FORSGREN. I don't have those figures on the top of my head, but in terms of number of timber sales, there would be a relatively small number. Here in New Mexico we have essentially lost all of our infrastructure, or most of our infrastructure, to process sawed-log-type material. And so there have been relatively few sales. Most of our focus has been—with the loss of that infrastructure—has been on other than timber sales to treat the vegetation, to get a condition on the landscape to sustain over the long run to restore the health of our forests.

Mr. PEARCE. OK. I think the point that I've seen as we travel congressionally across the country and into Alaska, that our policies, whether they're self-imposed or imposed by the legal system, are imposed, for whatever reason, have literally taken away our capabilities to do anything about the problem. They've taken away the infrastructure of the people who could and would do these things.

I think that it's one of the most poignant items that we must contend with and realize that there won't be solutions for many of these things if we do not have policies internally that allow them some leeway and some ability to do the functions that we desperately need to be done to achieve this balanced that would restore our health. Without it, I'm afraid that it's not a question of if our forests are going to burn but, simply, when they're going to burn.

Thank you very much. I appreciate your patience with the questions and your answers.

We'll go ahead and release that panel and ask that the record will be kept open. The panel may, or the Committee may actually have questions during the coming days and we're going to keep the record open for questions from the Committee. If you get a request for an answer we would appreciate that answer in writing during the next 10 days, and we appreciate that.

Mr. FORSGREN. We would be happy to do that.

Mr. PEARCE. Thank you.

Mr. PEARCE. I would like to now have our second panel come up. On Panel II we have The Honorable Ed Wehrheim, Chairman, Catron County Commissioner; accompanied by the Honorable S. Rufus Choate, Catron County Commissioner; and Miss Caren Cowan, Executive Director of New Mexico Cattle Growers' Association.

If you would just remain standing we would—

[Witnesses sworn.]

Mr. PEARCE. Let me remind the witnesses that under our Committee Rules you must limit your oral statements to five minutes but your entire statement will appear in the record.

I now recognize Chairman Wehrheim for his statements.

Mr. WEHRHEIM. Congressman, we'll be permitted for Rufus Choate to go first.

Mr. CHOATE. Thank you. We request that the witness statement be submitted to the record.

Mr. PEARCE. Yes, sir.

STATEMENT OF S. RUFUS CHOATE, COMMISSIONER, CATRON COUNTY

Mr. CHOATE. We want to thank you for the opportunity to come discuss our grazing issues since that's what I'm addressing here in Catron County. I'm just going to point out a few major points. Number one, is the rancher who is allottee of the land has no say in the management and I feel that that's wrong because he has all of his life invested in it, generations, or whatever it is, his whole living, but he has no say in how it's managed. The elk keep encroaching on him, he doesn't have any say on what can be sustained with elk and cattle together. And the wolf is another phase that threatens his livelihood. He has no say on the management of the wolf reintroduction or management of it by appearing in areas. And it just goes on and on, that he doesn't have any say in.

Number two, is many court-ordered livestock cuts are lacking in science and good procedures, so there hasn't been consistency that there should have been in the one permit to the next, but from one area to the next. There has been a loss of 25,000 cattle in the last 10 years, resulting in a loss of 10-million-dollar revenue and livestock production since 1997, and that is a pretty significant loss for a small—for a county with not too much any other revenue.

I mean livestock is one of our major productions. The rancher needs to be involved in analysis training and management decisions, not as a captive tent. They make their living off the land and they know what it takes to manage the certain area, and it needs to be ranch by ranch or allotment by allotment because they're not all equal. You can't take a big area and say, "Well, we're going to manage all of these permittees or allotments in this area the same," because each one is an individual allotment; they have different, different water, their goals are different, some are yearlings, some are cows.

We need to have better coordination between county and land management agencies, and the county has forming a new committee, healthy livestock and rangeland committee, to work with land management agencies. And I think we're really lacking in cooperation between land management agencies. We have MOU at Catron County with different agencies, and it has been kind of put on the back burner and forgotten.

The first commission meeting that I was in this year I asked what happened to the MOU. The Forest Service, since I was a commissioner 12 years ago, we had formed an MOU with these

agencies. That forest ranger had never heard of an MOU. And those kind of things are just neglect.

We need to improve the graze analysis planning. The county needs congressional support of the Catron County initiated a graze analysis field, but at least be more upon the consistency, and with the New Mexico state task force as doing this it will be more consistent from permit to permit.

And in conclusion, the Forest Service may keep cutting cattle numbers, which won't solve our problems. Let's—they need to be something that says how many trees per acre, or whatever. If there is going to be a cut on cattle it has to be the same percentage or a significant cut of timber on the forests, because the forest keeps growing trees. Each tree takes water, does away with the streams, it does away with the forage. The cattle takes the cut, and he's the one that's making his living off of it. So he has a vested interest. So it needs to be—they need to be held to the same status as the rancher.

And that's basically is my points that I would like to promote and I appreciate your time.

Mr. PEARCE. Thank you, Mr. Choate.

Mr. PEARCE. Ms. Cowan.

STATEMENT OF CAREN COWAN, EXECUTIVE DIRECTOR, NEW MEXICO CATTLE GROWERS' ASSOCIATION

Ms. COWAN. On behalf of the New Mexico Cattle Growers let me thank you for holding this hearing and allowing us to participate. I have served as the executive director of the New Mexico Cattle Growers since the summer of 1997; that's about six-and-a-half years—six fairly unpleasant and even heartbreaking years as we deal with forest issues.

At the outset I want to point out that when I'm speaking about the Forest Service I'm speaking only globally and not about specific individuals. I don't make judgments. We all have jobs to do and higher authorities to report to.

I have been accused of pushing unsustainable situations to the detriment of the resources of my employers. To the contrary, my employers have outlined my job as to assist in the protection of rural families and rural communities dependent upon the livestock industry within our country's national forests. In many cases these are the people who have been the stewards of the land for generations, people who also provide food and fiber for our nation and the world while protecting our most precious resources and our wildlife.

The suffering of much forest-dependent communities and families in the Southwest has been severe, continuous, and maybe in direct proportion to the decline in the health of the forests themselves. We are suffering all the social ills that you find in the loss of livelihood and the loss of hope, we see divorce, we see substance abuse and we even see premature death. At the same time, we are watching fire carbonize our precious forests, destroying our waters, and killing wildlife and burning our homes.

We first lost our the timber industry. The grazing industry is now in serious peril. Hunting and recreation are soon to follow if there isn't a change in attitude and strategy.

The adverse impacts of the forest management on the livestock industry have been so severe in the Southwest Region that the Governors of both Arizona and New Mexico put together task force to look into the situation.

As part of my testimony today I have, for the record, put in the report from the New Mexico Department of Agriculture, who was tasked with doing this survey in New Mexico. And I think that you'll find some fairly serious problems within that report and numerous problems. The cover letter of the report is detailed, but the cover letter, which is only about four pages, is very pointed in the problems that we see.

At the pleasure of the Committee, I can obtain a copy of the Arizona report for you. It's worth noting that, to my knowledge, at this point in time the Forest Service has yet to respond to either one of these reports.

According to research from New Mexico State University, Catron County has lost over 200,000 AUMs in the last eight or 9 years, with more cuts in the planning stages as we speak today. Unfortunately, this is not unique to this area and similar problems are being seen across forests in Arizona and New Mexico.

A look at history indicates that this tremendous decline began about the time that two things started—the application of the NEPA process by the Forest Service and the war in the courts being waged by environmental elitists under the guise of the Endangered Species Act.

The Forest Service has been unprepared to deal with either one of those challenges. In fairness, the lack of ability to address these problems may be from the lack of manpower and funding, but—and as the staff has increased we have gone into a downward spiral where there is less ability to do the work and, therefore, more exposure, litigation as we move forward.

Although we are continually assured otherwise, we have found that there is no science within the agency for decisionmaking processes. In the Santa Fe National Forest last summer one allotment owner questioned whether or not his drastic cut in numbers and season were based on science and actual range condition. This is the statement he received in his appeal: "End of season data collected by the Range Improvement Task Force in September 2002 were compared to 1993 data (TES) to determine trend and soil cover. Range Improvement Task Force stubble height data from September 2002 were analyzed using published data that allows comparison of stubble height to utilization levels of vegetation types present under the allotment.

The utilization levels were then compared to allowable use levels established in 2002 annual operating instruction. A published scientific method based on area precipitation patterns from 2 years previous was used to provide an initial estimate of forage production for the coming year. All of these factors were considered using to established range management principles and practices in the determination of the worst-case scenario.".

That's a really long way to answer a question "Is there any science?" You know what happened to rain gauges, what happened to vegetative monitoring. And it's these, precisely these kind of statements that have created the great lack of trust that we have

on the ground and between the agency. And until we can attack that trust situation and have a partnership in the ability to work together, we're not going to solve any of these problems. It's precisely this kind of "science" that flaws the NEPA process as well. Decisions are arbitrary and tied to livestock numbers at a single point in time, rather than looking at range condition and a long-range goal and what's happening on the ground.

Additionally, the NEPA process very clearly lays out how it alternative, a range of alternatives are supposed to be developed with public input. However, the scoping documents that we're seeing coming out of the Forest Service which are designed to gather the information have predetermined alternatives that are already designated as "preferred alternatives" when they go to the public.

With that, I think I'll close. The appeals process is, is a serious problem as well, as we look into, into this situation, and my written testimony details that further. And I appreciate your time today.

Mr. PEARCE. Thank you.

[The prepared statement of Mr. Cowan follows:]

Statement of Caren Cowan, Executive Director, New Mexico Cattle Growers' Association

Mr. Chairman and members of the Committee, on behalf of the New Mexico Cattle Growers' Association (NMCGA), let me thank you for holding a hearing on this issue so vital to the Southwest and for the opportunity to testify before you.

As NMCGA executive director since July 1997, I have worked firsthand with the forest use and management issues in the Southwest Region for well over six years—six fairly unpleasant years where these issues are concerned. At the outset I would like to point out that when I speak about the U.S. Forest Service (USFS), I am speaking globally. I offer no reference or judgment about specific individuals. We all have jobs to do and higher authorities to report to.

I have been accused of pushing unsustainable situations to the detriment of the resources of my employers. To the contrary—my job is to assist in the protection of rural families and communities dependent upon the livestock industry within our country's national forests. In many cases, these are the people who have been stewards of the land and its creatures for generations, people who also provide the food and fiber for our nation and the world, while protecting our most precious resources.

The suffering of forest-dependent families and communities in the Southwest has been severe, continuous, and may be in direct proportion to the decline in the health of the forests themselves. We are suffering all the social ills tied to the loss of livelihood and of hope from substance abuse to divorce to premature death. At the same time, we are watching fire carbonizing our precious forests, destroying our watersheds, killing wildlife and destroying homes.

We first lost our timber industry. The grazing industry is in peril. Hunting and recreation are soon to follow if there isn't a change in attitude and strategy.

The adverse impacts of federal forest management on the livestock industry have been so severe in the Southwest Region that the governors of both New Mexico and Arizona ordered reviews of the situation. The report of the New Mexico Department of Agriculture, the agency in this state charged with the review, is submitted with my testimony for the record. The cover letter of the report outlines the numerous problems we are facing at the hands of federal land management agencies here in New Mexico.

At the pleasure of the Committee, I can obtain a copy of the Arizona report for the record. It is worth noting that, to my knowledge, the USFS has yet to respond to either report.

According to research from New Mexico State University (NMSU), one New Mexico county, Catron, has lost over 200,000 animal unit months since 1994, with more cuts in the planning stages as we speak. Unfortunately, this is not unique to a single area. Similar reductions can be found across the Southwest Region.

A look at history indicates that this tremendous decline began about the time two things started—the first was application of the National Environmental Policy Act

(NEPA) by the USFS. The second was the war being waged in the courts by environmental elitists under the guise of the Endangered Species Act (ESA).

The USFS has been unprepared to deal with either of these occurrences. In fairness, the lack of ability to address problems may stem from a lack of manpower and funding, which has led to a downward spiral. As more analysis and litigation is required, there is even less time and money to devote to the necessary work on the ground—that leads to more litigation.

Although we are continually assured otherwise, we have found that there is no science for the agency to base decisionmaking upon. In the Santa Fe National Forest last summer when one allotment owner questioned whether or not the drastic cut in his numbers and season of use was based on science or actual range condition, the response was as follows: "End of season data collected by the RITF in September 2002 were compared to 1993 data (TES) to determine trend in soil cover. RITF stubble height data from September 2002 were analyzed using published data that allows comparison of stubble height to utilization levels in the vegetation types present on the allotment. The utilization levels were then compared to the allowable use level established in the 2002 AOI. A published scientific method based on area precipitation patterns from two previous years was used to provide an initial estimate of forage production for the coming year. All of these factors were considered using established range management principles and practices in the determination of the worst-case scenario."

When the allotment owner allowed as how this was a nonresponsive statement and questioned what published methods were used, he was told:

"Science based decisionmaking does not require that a scientist perform the actual data collection and/or analysis. Trained professionals or others can collect and/or analyze data using techniques established through scientific research. In his responsive statement the District Ranger explains how science-based data and analyses were used in the decisionmaking process. Results of these analyses (soil cover, estimated 2002 production, measured 2002 utilization, estimated 2003 production) provided elements necessary for an initial early assessment of range condition upon which to base decisions for the 2003 grazing season."

I am still mystified as to how 1993 TES, which I have since learned refers to Terrestrial Ecosystem Survey, soil data can be compared with 2002 forage and utilization data to extrapolate a 2003 grazing decision—months before the grazing season is slated to begin and before rainfall and snowfall can be considered or determined. What has happened to traditional vegetative monitoring that can provide trends over time or rain gauges?

It is this kind of "science" that has eliminated the trust between allotment owners and the USFS. Livestock owners and the organizations that represent them must be a part of an on-going monitoring process that utilizes historical data and continues vegetative monitoring.

It is this kind of "science" that flaws the NEPA process from the start. Decisions are arbitrary and tied to numbers of livestock at a single point in time, rather than the condition of the resource over time. A long-range view is especially important in the desert Southwest, where not only are allotments year-round, but we are at the mercy of Mother Nature, who has seen fit to hand us a drought now in its seventh year.

Additionally, the NEPA process is very clear in terms of how a range of alternatives must be developed through a public process. However, USFS scoping documents that are supposed to be used to gather information instead contain pre-determined decisions as "preferred alternatives" when they are distributed to the "public."

Compounding the problem is the appeals process within the agency. Nowhere else in our country is a single entity the investigating and arresting officer, the prosecutor, judge, jury and executioner. USFS allotment owners are generally out of business before they can obtain the judgment of someone not vested in the outcome of the process. And, that's only if they can afford to go to federal district court to protect their rights. Even the worst criminal has the right to a jury of his peers and to be represented by counsel—at taxpayer cost if they cannot afford one.

Those making appeals must stick to a rigid schedule set out by the USFS and generally require the advice of an attorney. However, the agency has no responsibility to respond in kind. Many times, by the time the appeal is acted upon through the USFS channels, the issue is moot and losses have occurred. It is grossly unfair and unreasonable for an agency to hold lives in limbo by virtue of a decisionmaking process.

The USFS appeals process must include fairness for allotment owners, with the ability to stay in the business and protect their investments and families. The agency must also understand that just because they allow an allotment owner to run

a few cows does not mean they have not put a producer out of business. There are economic realities and economies of scale that must be considered. Cutting numbers in half, as is being contemplated on one allotment in the Gila National Forest, will put the livestock producer out of business, even if she is allowed to run nearly 200 cows. The allotment was purchased based on nearly 400 cows. There is no way to make payments and put food on the table with the reduced number.

The agency has also failed livestock owners in the battles in the courts. Instead of holding their ground, USFS legal counsel has been less than effective in defending not only their own actions, but in defending the people on the ground who depend on them. The livestock industry has spent hundreds of thousands of dollars in the courts just to be sure that the people on the ground are represented. At times we have had the legs cut out from under our litigation efforts in deals between the USFS and environmental elitists.

Even more frustrating is the agency's refusal to abide by decisions once we win them in the courts. Case in point is the Arizona suit in which the 9th Circuit Court of Appeals ruled that an endangered species must be present to be harmed. This is kind of a no brainer, but the USFS has steadfastly refused to recognize that principle. We have worked for a year to get the "grazing guidance criteria" provided to the field by the USFS wildlife, fisheries and rare plants staff on endangered species, amended to reflect current court decisions with no end in sight.

In fairness to the USFS, the ESA may be the real culprit here. The Act is being misused to halt management of our forests. Will the entire West have to become a charred wasteland before Congress has the will to address endangered species and the harm the ESA is causing?

An additional wildlife problem in New Mexico is the exploding elk population in some areas. The livestock industry was successful several years ago in getting the New Mexico State Legislature to direct the applicable state and federal wildlife and land management agencies to come together to begin to address the elk problem. That effort has been sporadic for the past year due to changes in state and federal administrations. Thus far there has not been dramatic progress.

I have mentioned the drought we are suffering. No one is more sensitive to the impacts of drought than the people who have lived on this land for generations. Livestock producers have utilized the forests of Northern New Mexico for over 400 years. They have seen droughts come and go. The land has survived, livestock use has survived and families have survived.

In this drought, however, prudent decisionmaking is being hampered and survival is in question. Livestock owners are afraid that if they remove their livestock, they may never again be able to utilize their ranges. We in New Mexico have asked the USFS for a restocking policy to provide criteria so producers can gauge when they can return, only to be told that it is being developed in Arizona. We have yet to see even a draft of such a policy and have had absolutely no input in any policy.

Although New Mexico and Arizona are in the same region and have similar problems, we see little effort by the USFS to work with the two states as a unit in problem solving and solutions. In fact, the situation is quite the contrary. If issues in the region are going to be resolved, producers across the region, not individual states, must address them.

The custom, culture and economies of the Southwest are dependent upon our national forests. For these to survive, along with the health of the forests, there must be a cooperative effort by those living on the land and caring for it and the federal agents charged with its oversight. Today I have touched on the ESA, the NEPA process, the USFS appeals process, litigation, guidance criteria and restocking, just a few of the issues that are piled in my office. If we could address these issues with the USFS in a manner that would allow people to stay on the land and care for the resource, we would have done great work today.

It is well past time to assess blame. We must look toward solutions that will benefit not only the forests, but also the people and economies dependent upon them. We have seen somewhat better communication with the USFS over the past year, and look forward to building on that for a better future, but we cannot wait much longer for these issues to be addressed and have any hope of protecting our rural families and communities.

Thank you once again for your time today. We look forward to your assistance as we move forward.

[Attachments to Ms. Cowan's statement follow:]

DEPARTMENT OF AGRICULTURE
STATE OF NEW MEXICO
MSC 3189, Box 30005
Las Cruces, New Mexico 88003-8005
Telephone (505) 646-3007

Gary E. Johnson
Governor

Frank A. DuBois
Secretary

December 18, 2002

The Honorable Gary Johnson
Governor of New Mexico
Office of the Governor
State Capitol
Santa Fe, New Mexico 87503

Dear Governor Johnson

You requested I assemble a task force to obtain information on federal livestock grazing management policies and any adverse effects these policies may have on permittees, lessees and local communities. A task force was assembled to accomplish this task. In addition to myself, the task force included the following

The Honorable Joe Stell, New Mexico State Representative and Chair of the House of Representative s Agriculture and Water Resources Committee

Dr. Jerry Schickedanz, Dean, New Mexico State University, College of Agriculture and Home Economics

Mr. Steve Neville, Past President, New Mexico Association of Counties

Public hearings were held in Silver City on June 15, 2000, in Española on October 2, 2000, and in Alamogordo on December 17, 2001. Permittees, federal agency personnel, economists, ecologists, environmentalists, sportsmen, and local community leaders testified before the task force. At each hearing a court reporter recorded the proceeding, and an open microphone was provided for non-panelists who wanted to provide testimony to the task force.

It became evident by the third hearing that many of the issues raised during the hearings were common to permittees throughout the state. As a result, a one-page survey was developed to determine whether or not the issues were applicable to the majority of New Mexico permittees.

Based on the hearings and the survey, the following issues were identified

- For U. S. Forest Service (FS) permittees, vacant and closed allotments have resulted in increased maintenance responsibilities for remaining permittees.

- For allotments in the GNF animal unit months in allotments bordering designated wilderness have decreased at three times the rate of allotments not bordering the wilderness. Studies of other wilderness areas in New Mexico were not available
- As tree densities have increased, forage production for both livestock and wildlife has decreased
- As elk numbers have increased, federal agencies have decreased the number of livestock on allotments, and in some instances permittees were not able to move their livestock into another pasture because elk had consumed the available forage
- As a result of the implementation of the Endangered Species Act, riparian areas have been fenced to exclude livestock. Exclosures such as these have resulted in increased fence maintenance responsibilities, the loss of forage, and the loss of readily available water sources. Furthermore, the number of livestock have been decreased due to a multitude of single species management prescriptions.
- Reductions in livestock numbers have been implemented based on FS ranger district personnel misinterpretation of research conducted by a wildlife biologist of the Rocky Mountain Research Station on the prey base of endangered species
- Insufficient monitoring data exist to support agency management decisions. Often, agency personnel simply drive through an allotment and issue a decision to remove livestock
- Federal agencies have often failed to notify permittees of activities that will take place on livestock grazing allotments. Agency personnel have collected range monitoring data without notifying the permittee, and if the permittee is notified, he/she has not been given ample advance notice
- FS permittees testified there was false and missing information in their allotment files
- FS range management budget decisions shifted away from resource monitoring and range improvement implementation. Range management budgets shifted toward National Environmental Policy Act planning, consultation with the U.S. Fish and Wildlife Service, and appeals and litigation of management decisions as well as administration
- Federal agencies have not placed sufficient value on permittee land management experience and have discounted the custom and culture of livestock grazing and its importance to the local economy and community

- Permittees have indicated their mistrust of the Bureau of Land Management (BLM) and FS. Damaged trust and continued suspicion of FS and BLM personnel has resulted from poor or inconsistent communication patterns and a lack of effort to cooperate and coordinate with permittees
- Some disturbing actions by FS personnel have included the following:

  a. FS legal counsel phoned a bank vice president s attorneys and stated if the bank knew what was good for it, they would shut the bank vice president up
  b. A district ranger is reported to have said, "once he had put the permittee out of business, the remaining permittees would be easy to take out."
  c. A FS employee posed as a federal attorney in a phone conversation with a representative of Congressman Joe Skeen's office

- Limited or no accountability existed for actions taken by FS and BLM decision makers. In other words, individual federal decision makers have not been held accountable for poor resource management decisions. For instance, the district ranger that is reported to have said that once he had put the permittee out of business, the remaining permittees would be easy to take out, was promoted to a position in the regional office

Questions for the federal agencies were derived from testimony provided at each hearing. In the table below, note the slow rate of response to the Governor's task force by both the FS and BLM. Throughout the testimony presented by permittees, both federal agencies were cited for a general lack of responsiveness to requests and inquiries made by permittees. If the table below is indicative of federal agency responsiveness, it helps explain the general public's displeasure with and distrust of federal agencies.

Hearing	Date Questions Mailed	Date Answers Received
Gila National Forest	September 20, 2000	February 18, 2002
Northern New Mexico (BLM)	February 15, 2001	June 26, 2002* December 9, 2002**
(FS)	February 15, 2001	April 8, 2002
Southeastern New Mexico	April 11, 2002	September 9, 2002

* Only 23 of the 30 questions submitted were answered
** Response to seven previously unanswered questions received

Governor Gary Johnson
December 18, 2002
Page 4

The enclosed report highlights a small fraction of the information gathered and emphasizes the commonality of the plight of federal permittees in New Mexico. In addition to the challenges faced by federal permittees, panelists from the environmental community, the scientific community, and the general public have registered dissatisfaction and concern with FS and BLM land management decision making. Therefore, the testimony should be read in its entirety, and the questions derived from the testimony and the subsequent answers from the federal agencies should be examined.

We make no policy recommendations in this report, but sincerely hope those in a position to do so will review these materials as part of any program review.

Sincerely,

Frank A. DuBois

FAD/jm/gad

Enclosure — Report to the Governor of New Mexico from the Public Land Grazing Task Force
CD-ROM of Appendices

cc: The Honorable Jeff Bingaman, United States Senator
The Honorable Pete Domenici, United States Senator
The Honorable Steve Pearce, United States Congressman
The Honorable Tom Udall, United States Congressman
The Honorable Heather Wilson, United States Congressman
Rebecca W. Watson, Assistant Secretary for Land and Minerals Management, the Department of the Interior
Mark E. Rey, Under Secretary for Natural Resources and Environment, United States Department of Agriculture
Harv Forsgren, Regional Forester

[NOTE: The "Report to the Governor of New Mexico from the Public Land Grazing Task Force" has been retained in the Committee's official files.

Mr. PEARCE. Mr. Wehrheim.

STATEMENT OF ED WEHRHEIM, COMMISSION CHAIRMAN, CATRON COUNTY

Mr. WEHRHEIM. Thank you, Congressman, for inviting Catron County to testify before this Commission.

For those of you who are unfamiliar with our county, it is 7,000 square miles with 3.3 million acres of publicly owned land. We have a population of 3400 people. We are totally rural and distant from any urban areas. Our economy has been on a decline for over two decades, and at present per capita income, excluding Forest Services, schools, is only $14,000 per family; and unemployment is 14 percent. And this is only—it is only this low because families who cannot find work, leave. The Reserve school system was forced to reduce its budget by more than a $100,000 this year and is anticipating more cuts next year, which will probably involve combining classes.

This economic decline is due, large in part, to access to natural resources on public lands, namely livestock production, timber and

mining. Access to these resources have become more and more restrictive due to heavy input from environmental lawsuits, appeals, stopping or seriously curtailing efforts to develop or improve our natural resources.

These groups have had a major influence on the United States Forest Service's management of our forests in Catron County. We are now facing yet another and possibly the worst threat our county has encountered. It is very likely that our forests will lose over a million acres to catastrophic wildfires over the next 2 years. I need not tell you how devastating that will be. Wildfire danger cannot be reduced without addressing forest health, and forest health cannot be addressed without involvement of local human resources and local solutions.

Catron County has a solution for forest health and hazardous field reduction. In fact, we are immersed in a biomass power generation program which will put to use all the unsaleable, small-diameter wood undergrowth, diseased and dying trees, thereby reducing the risk of wildfire, improving wildlife and endangered species habitat, improving our watersheds and livestock grazing, leaving large trees and some small replacement trees, creating a beautiful and parklike forest.

We are in the process of doing a feasibility study, a site selection study, securing contracts from power producers; however, we cannot continue without long-term secure contracts from the Forest Service, BLM and state forestry. Surely this program is a win-win situation that should be endorsed by Catron County citizens, land management agencies, and even those claiming to be champions of the environment. Anyone who has walked through five inches of ash and huge dead trees will get serious about forest health. It will be decades before these forests recover from these horrible fires.

Catron County has taken the lead in forest health and hazardous fuel reductions. No one wants to live, work and enjoy the beauty of our forests more than the people who live there now. We ask that you join with us in getting this giant task underway.

Thank you, Congressman Pearce.

Mr. PEARCE. Thank you, Mr. Wehrheim, for your testimony.

[The joint statement of Mr. Wehrheim and Mr. Choate follows:]

DECEMBER 31, 2003

Honorable Scott McInnis, Chairman
Subcommittee on Forest Health
Committee on Resources
U.S. House of Representatives
1337 Longworth House Office building
Washington, D.C. 20515

Subj.: Transmittal of Supplemental Testimony for the Field Hearing on Management & Access Challenges Across Southwestern Forests

Dear Honorable McInnis:

The Catron County Commission would like to thank you for the opportunity to present supplemental testimony for the House Subcommittee Field Hearing on Management and Access Challenges Across Southwestern Forests held in Grants, New Mexico on December 15, 2003.

As expressed at the field hearing, we have a rare opportunity to move forward with new options to partner our efforts to restore forest health conditions and significantly reduce the threat of catastrophic wildfires. As a follow-up to the

hearing testimony, the Catron County Commission requests your consideration of our intergovernmental efforts to improve forest health. Our supplemental testimony highlights the following issues and opportunities:

- Request for your assistance in resolving obstacles to effective inter-governmental efforts to implement the Healthy Forest Restoration Act (p1.).
- Identification of undue influence by special interest groups on U.S. Forest Service, resulting in circumvention of USFS responsibilities to coordinate with county governments (p.2).
- Consequences and implications of U.S. Forest Service's forcing specific environmental special interest groups on the county and circumventing USFS responsibility to provide early consultation and coordination with county government (p. 3).
- Special interest environmental groups which have compromised forest restoration and hazardous fuels reduction (p 4).
- Identification of related policy issues for clarification and resolution (p.8).
- Catron County Commission recommended solutions: (p8)
  - fi Catron County community-based alternative to top-down collaborative process
  - fi Appropriate place for collaboration in intergovernmental forest planning process
  - fi Catron County's Intergovernmental Task Force for expediting Hazardous Fuels

Catron County Commission looks forward to your guidance.

RESPECTFULLY SUBMITTED,
ED WEHRHEIM, CHAIRMAN, CATRON COUNTY COMMISSION

cc: U.S. Representative Steve Pearce

ATTACHMENT: Resolving Obstacles to Effective Intergovernmental Efforts to Implement the Healthy Forest Restoration Act with a Priority to Expedite Hazardous Fuels Reduction

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Supplemental Testimony submitted by Ed Wehrheim, Rufus Choate, and Lena Shellhorn, Catron County Commission

The Catron County Commission would like to thank you for the opportunity to present supplemental testimony to the House Subcommittee Field Hearing in Grants, New Mexico. We also appreciate the leadership of the Subcommittee in this critical transition to more effective management of our national forests, especially given the looming threat of catastrophic wildfires in our forests.

A. Request for assistance in resolving obstacles to effective intergovernmental efforts to implement the Healthy Forest Restoration Act with a priority to expedite hazardous fuels reduction

As we expressed at the field hearing, we have a rare window of opportunity to move forward with collaborative efforts to restore forest health conditions. The immediate and highest priority is to reduce hazardous fuels on public lands. About eighty percent of Catron County is government land with the bulk of the source of hazardous fuels on National Forest lands, followed by Bureau of Land Management and state lands.

To that end, the Catron County Commission, along with federal and state agency partners, are implementing the Catron County Interagency Task Force for Expediting Hazardous Fuels Reduction (see Exhibit 1 attachment). The Catron County Commission would like to present this to the Subcommittee as a model for implementation of the Healthy Forest Restoration Act and as an example of what can be done through effective and committed intergovernmental coordination; the county requests assistance from the Subcommittee in resolving obstacles to the County's Task Force's carrying out of its objectives.

Each year that goes by Catron County faces increased danger of devastating wildfire as drought and unhealthy forest conditions create more and more wildfire fuels. Only immediate and aggressive action to deal with these hazardous fuels can provide any hope of protecting the county residents and infrastructure, as well as the forests themselves.

To date, however, little progress has been made towards the goal of reduction of hazardous fuels on public lands, especially on local national forests. Furthermore, little can be expected in a timely manner unless specific changes occur. Continuing problems and needless obstacles have been created by the undue influence of special

interests on U.S. Forest Service (hereinafter, USFS) policies related to community-based collaborative forest restoration initiatives. Our locally initiated intergovernmental efforts to reduce hazardous fuels could be significantly compromised if these special interest influences and control over the USFS collaborative forest restoration are not resolved.

The Catron County Commission requested the School of Forestry at Northern Arizona University to evaluate the obstacles and propose solutions to current obstacles. Please refer to Exhibit 2, attached for detailed evaluation. Their evaluation states:

> Over the past decade and currently, Gila National Forest management practice essentially amounts to a "no action" alternative imposed via the threat of appeal and litigation. This inaction further exacerbates the decline in forest health described above. Certain interest groups/stakeholders continue to voice strong opposition to certain types of active management, particularly commercial timber sales. Whether motivated by an honest distrust of forest service management or by perceived benefits derived from current inaction, these groups have been able to impede implementation of forest health treatments. In such cases of institutional impasse, policy and management change often occurs in response to an event which creates a policy crisis that cannot be ignored. The policy crisis allows a restructuring of power relationships among stakeholders and changes in policy and management practices In the southwest, this type of event occurred in the form of unprecedented, massive stand-replacing fires, and creates the opportunity to move forward with forest health treatments. The time to act is now!

For the remainder of our supplemental testimony, we discuss these issues and their consequences in detail; we also identify the major policy issue questions that should be resolved, as well as provide recommendations for improving the capacity to restore forest health and reduce the risk of catastrophic wildfires.

B. Issue of USFS forcing specific special interest groups on Catron County, circumventing responsibility to coordinate with Catron County

The Catron County Commission respectfully takes issue with the USFS Southwest Region (Region III) requirement that for any USFS assistance with the collaborative forest restoration initiative, specific non-government environmental organizations must be included in all local collaborative restoration projects. The Commission has an established administrative record of having expressed concerns about the USFS attempts to force the Center for Biological Diversity on county issues and projects.

1. USFS special interest group requirement for coordinated resource planning with Catron County: The USFS requirement that all collaborative forest restoration projects must include certain environmental organizations was conveyed to the Catron County Commission at a meeting in Catron County on November 14, 2003 by two Regional USFS staff: Jerry Payne and Marv Johnson. After the meeting, the USFS sent a letter to the Catron County Commission stating that the Center for Biological Diversity representative, along with Walter Dunn, Region III, USFS, will conduct a meeting on January 30, 2003 to establish their version of collaborative forest restoration of the Burro forest restoration project. The county has not been asked for input about the requirements or the upcoming meeting, but has been simply notified and expected to accept them.
2. County Experience with the Collaborative Forest Restoration Program: It should be noted that a community-based collaborative forest restoration organization already exists in the county, as an extension and off-shoot of the Catron County Twenty Communities intergovernmental planning organization. Moreover, last year this existing local intergovernmental group put forth a proposal in conjunction with the School of Forestry at Northern Arizona University for the USFS Collaborative Forest Restoration Program. The Forestry School terminated the project proposal when it became apparent that the Region III USFS environmental panelists would not accept the community-based/NAU forest restoration proposal for the Burro project area. The Forestry School withdrew the proposal because of an arbitrary limit or cap of 12 inch diameter breast height for any forest restoration project proposal. This cap or limit was set by the environmental interests on the Technical Advisory Panel as a major evaluation criterion for approving any and all funding of collaborative forest restoration grant proposals under the Collaborative Forest Restoration Program.
3. USFS Ignores Catron County Commission requests for assistance in developing biomass power generation plants: During this same period of time—over five months—the Catron County Commission tried to get USFS attention and

assistance in the County's efforts to explore and develop biomass potential in the County. The County worked up an Action Plan and requested, in writing, USFS input and guidance. The County never received feedback or response from several requests. Instead, the USFS held a meeting (on 12/14/03) for all interested parties in Reserve, NM (the County Seat). At this meeting, USFS, Payne and Johnson ignored the agenda questions about cooperation and support with Catron County Commission, and instead emphasized the need to support non-government organizations. Also, at this time, USFS stated their special interest requirement which forces the Center for Biological Diversity and Sierra Club representatives on any restoration project in Catron County.

4. USFS forced non-local environmentalists on Catron County Resource Advisory Committee: The collaborative restoration and biomass initiatives are not the only incidents where the USFS has given undue status to private environmental special interests at the expense of the USFS's legal obligations to coordinate and assist County government. The Gila National Forest Supervisor forced two non-local environmental representatives, one of which is the Center for Biological Diversity, upon the Catron County Resource Advisory Committee (RAC).

The enabling Rural County Payments Act that created RACs explicitly states that the RAC is to be composed of local (within the County) members only. The Forest Supervisor refused to accept the County Commission's recommendations for local representatives of national conservation groups, after having told the County Commission that she would do so. The Catron County Commission sees this as a breach of agreement with the County government by the Gila Forest Supervisor.

The County Commission understands the need for and encourages all stakeholders to be involved in USFS initiatives. But this heavy-handed, top-down USFS version of collaboration appears to be the USFS superimposing social engineering, while circumventing the USFS's legal mandate to consult early and coordinate in resource planning with County governments (as spelled out in the National Environmental Policy Act and the National Forest Management Act). In addition, this special interest requirement amounts to an arbitrary and somewhat capricious approach to community-based forest restoration, in which the communities whose lives and livelihoods are the most affected have the least say.

C. Consequences and implications of the USFS forcing specific environmental special interest groups on Catron County and circumventing responsibility to coordinate with Catron County

The consequences from these forced, top-down USFS dictates for community-based forest restoration prescriptions have both legal and environmental consequences that adversely impact genuine and needed intergovernmental efforts to reduce hazardous fuels and restore forests to healthy conditions.

1. Undue and forced special interests usurp Federal and County intergovernmental coordinated planning requirements: These USFS attempts to force environmental organizations over the USFS requirements to coordinate with Catron County government are inconsistent with the National Forest Management Act, Federal Land Policy Act, and the National Environmental Policy Act. These federal statutes and regulations specify the intergovernmental roles and responsibilities between federal agencies and state, municipal, tribal and county governments. These federal laws recognize the concurrent legal responsibilities of state, tribal and local governments, especially to protect the health and safety of citizens from potential dangers such as from catastrophic wildfires.

It appears that the USFS is not following federal laws when they provide special privileges to special interest groups at the expense of USFS statutory responsibilities to provide early consultation to county governments. It also is inconsistent with the Council of Environmental Quality Directive (January 30, 2002), and the USFS Southwest Regional policy for coordinating with County governments. In addition, Catron County Commission has a Memorandum of Understanding with the Gila National Forest that specifically states that the USFS will first provide early consultation and coordination, government-to-government, with the Catron County.

2. USFS poor record of compliance with intergovernmental coordination requirements with Catron County Commission: The USFS has a long history of not responding to legally binding requests by the Catron County Commission. It took the Commission over ten years to finally get the USFS to comply with federal NEPA/CEQ joint planning requirements. It took successful law suits and the Council of Environmental Quality Directive (January 30, 2002) to finally get the USFS to recognize their legal responsibilities to coordinate resource planning and management with Catron County Commission. The overall track record is poor when it comes to the Gila National Forest communication and

coordination with the Catron County Commission. As mentioned above, there is the heavy-handed efforts to force the Center for Biological Diversity on collaborative restoration efforts in the county. Also, the County Commission cannot get USFS attention to support the County's biomass development. Per NEPA compliance, on numerous occasions the County has requested coordinated resource planning and environmental assessments only to be met with either no USFS response or a response months later.

As one illustration, it took four months for the Gila Forest Supervisor to respond to the County's request for Cooperating Agency status in the Wild & Scenic Rivers Environmental Assessment. When the Forest Supervisor finally accepted the County's request, it was too late for the County to have meaningful participation in the EA. Many County government joint planning requests have never even been responded to by the USFS.

In contrast, the Gila Forest Supervisor routinely meets with non-government organizations for forest health, restoration and economic development in Catron County. The Forest Supervisor spends most of her "collaborative" efforts consulting and coordinating with environmental special interests at the expense of the Catron County/Gila National Forest written memorandum of understanding, which is to first provide early consultation with the County Commission, the duly elected local government.

3. Special Interest groups compromise forest restoration and hazardous fuels reduction objectives: The USFS special relationship and efforts to include the Center for Biological Diversity appear to have already resulted in compromising forest health objectives in the Gila National Forest the Sheep Basin restoration project. One only needs to compare the original Sheep Basin forest restoration objectives with the final decision notice and the on-the-ground results.

The Sheep Basin forest restoration project in the Negrito Ecosystem Management Area is being heralded by the Gila Forest Supervisor and Region III staff as a glowing example of what can be accomplished through collaboration with specific environmental groups. After two previous forest restoration projects' environmental assessments were appealed, the USFS catered to the Center for Biological Diversity with guided tours of the project area. The USFS purpose, presumably, was to solicit any changes the Center for Biological Diversity felt had to be made in order for a final EA to be finished without appeal. The Center for Biological Diversity had, in writing, repeatedly threatened litigation of any project that proposed cutting "large trees" (defined by the Center for Biological Diversity as >12" dbh). In fact, the Center for Biological Diversity led a campaign on their website encouraging people to write and denounce any harvest of trees in the Negrito watershed. In the end, while there was not a 12" diameter cap per se, only about 6% of the total number of trees harvested were >12" dbh. While the majority of the stand density reduction needed was in the 5″-12" structural stage, more needed to be done in the 12″-18" size. The County is left wondering what was the difference in probability of crown fire between the appealed alternative and the final preferred alternative. The County would like to have seen an analysis and calculations similar to the one shown in the table, below, illustrating the measured relationship of forest restoration effectiveness in hazardous fuels reduction (source: NAU School of Forestry, 12/10/03).

Measuring Forest Restoration Effectiveness in Hazardous Fuels Reduction

This relationship supports the need to treat all tree size classes to effectively reduce the high risks of crown wildfires. We know that a far greater portion of biological diversity exits in the understory than the overstory. While the claim is made that biological diversity will increase under the preferred alternative, we would like to see the difference between the preferred alternative and a full restoration prescription.

The County Commission would also like to know why the USFS never responded to the County Commission's legal request to participate as Cooperating Agency (per NEPA) in the environmental assessment of the Sheep Basin or Corner Mountain restoration projects. In short, the Catron County Commission was not afforded the same standing or special treatment as the Center for Biological Diversity and other non-government groups. The County Commission was not included in the special tours the USFS set up for the Center for Biological Diversity and Citizen's Group, both non-government special interest groups. Yet it is the County Commission which has the legal responsibility to protect its residents from potential catastrophic wildfires (one of the Sheep Basin project objectives was to reduce the potential for catastrophic fires).

The Collaborative Forest Restoration Program (CFRP) was established by the Community Forest Restoration Act (2000). It is this Act that, in essence, appears to govern all proposed restoration projects on the Gila National Forest. After years

of difficult negotiations and work to finally pass the Healthy Forests Restoration Act, it seems inconceivable that management activities on the Gila National Forest would be restricted to the requirements of the CFRA grant program. If we continue down the Sheep Basin/CFRA path, the focus will remain on small diameter, small area, myopic projects and individual species, precluding landscape scale activities that can be affective in reducing the risk of catastrophic wildfires. The USFS priority focus should be on intergovernmental coordination to expedite fuel load reduction. Together with the County as partner, USFS can also develop authentic community-based collaborative public involvement processes.

4. Alternatives to Top-down Collaboration: Merriam-Webster defines "collaborate" as: To work jointly with others, or together, especially in an intellectual endeavor; to cooperate with an agency or instrumentality with which one is not immediately connected. "Coercion" is defined as: To bring about by force or threat. What is actually occurring on the Gila National Forest?

Are there better examples of community-based forest restoration? The Greater Flagstaff Forests Partnership was conceived by the Coconino Forest Supervisor following the 1996 fire season (when 15,000 acres was considered a monstrous fire). The forest supervisor recognized that something must be done to alleviate the growing threat of devastating crown fires. (Then came the 2000 and 2002 fire seasons when hundreds of thousands of acres burned in Region III while we appealed and collaborated.).

Primary goals of the Greater Flagstaff Forests Partnership are to restore the natural ecosystem functions and manage forest fuels to reduce the risk of catastrophic fire. The formal partners of the Greater Flagstaff Forests Partnership (formerly the Grand Canyon Forests Partnership) as of March, 2003: Arizona Public Service, Arizona Game & Fish, Arizona State Land Department, City of Flagstaff, Coconino County, Coconino County Farm Bureau/Cattle Growers Association, Coconino Natural Resource Conservation District, Cocopai Resource Conservation and Development District, Ecological Restoration Institute, Flagstaff Chamber of Commerce, Flagstaff Native Plant and Seed, Grand Canyon Trust, Greater Flagstaff Economic Council, Highlands Fire Department, Indigenous Community Enterprises, Northern Arizona Conservation Corps, Northern Arizona University - College of Engineering, Northern Arizona University - School of Forestry, Perkins Timber Harvesting Practical Mycology, Society of American Foresters - Northern Arizona Chapter, Southwest Environmental Consultants, The Arboretum at Flagstaff, The Nature Conservancy, U.S. Fish and Wildlife Service.

Please note that the Center for Biological Diversity is not a member of the partnership, neither are the Forest Guardians or Forest Alliance. This is precisely why restoration-based hazardous fuel treatments are being successfully implemented on thousands of acres of forest land.

Originally, the Center for Biological Diversity was invited to participate in the Greater Flagstaff Forest Partnership. As soon as they discovered they were not going to be able to impose their will or manipulate the other group members, the Center for Biological Diversity chose not to participate in this collaborative project. The Center supported the Forest Alliance/Guardians' efforts to implement their "Forests Forever" prescription on the Coconino National Forest and found out it was physically impossible to do. After these groups realized they could not support or justify their own "prescription", they quit and went home. They wrote a letter stating explicitly that they would no longer participate in any group like the Flagstaff Partnership again.

Now, we are being told that there will be no "collaborative efforts" implemented in Region III unless specific environmental groups, like the Center for Biological Diversity, are an explicit member of the group. We are told by those in the USFS Region III who are in charge of the CFRP grant program that all collaboration will be conducted in accordance with procedures specified in the CFRA. The highly successful group in Flagstaff operates quite well without these CFRP dictates or constraints. Numerous collaborative groups are presently working together on these issues throughout Region III without the Center for Biological Diversity being a member of any one of them. Why is it a requirement on the Gila National Forest?

5. Problem Summary: Given the imminent threat of 1.3 million acres in the county at high to extreme risk of catastrophic wildfires, county, state and federal agencies can ill-afford manipulation and monkey-wrenching of the implementation of the Healthy Forest Restoration Act. Blatant and undue influence by private, special interests over public interests has the real possibility of derailing or undermining all efforts to expedite hazardous fuels reduction and restoration.

The Catron County Commission cannot accept USFS conditions of being forced to meet with and cater to the Center for Biological Diversity's arbitrary limits and constraints to forest health and fire prevention. Given their record of undermining

collaborative restoration efforts through threat and force, and the stated policy of the USFS that local programs must submit to oversight by the Center, it seems unlikely that, without intervention, the Center for Biological Diversity will be accorded any less control over current and future restoration and hazardous fuel projects in the national forests of Catron County.

Collaboration can work and can include diverse interests. Restoration-based hazardous fuel treatments are being successfully implemented on thousands of acres of forest land surrounding Flagstaff. The partner members represent local, state and federal governmental agencies, economic development groups, environmental groups, and educational institutions. Flagstaff's highly successful partnership operates very well without either the Center for Biological Diversity or the Collaborative Forest Restoration Program. There is no reason why the Catron County Interagency Task Force could not be equally successful.D. Resolution of public policy issues of special interest interference in

D. intergovernmental forest health priority planning:

1. Policy questions need timely answers: In order for successful and expeditious reduction of hazardous fuels, it is first necessary to resolve the undue influence by special interest groups. The Catron County Commission requests resolution by the Subcommittee on Forest Health regarding the following issues:

- Is this actual Region III policy to require specific special interest groups in forest restoration initiatives ; if so, where is it documented?
- Is this policy legal? Does this policy conflict with other federal requirements?
- What are the consequences and implications of such de facto policy in terms of implementation of the Healthy Forests Restoration Act and National Environmental Policy Act requirements for government-to-government joint planning?
- Most importantly and practically, how do we move forward with the Healthy Forest Restoration Act without undermining state and local jurisdiction and legal responsibilities? Can legal priorities, proper sequencing and protocols be established given the existing local, state and federal laws and processes?

2. The Catron County Commission recommendations: The County believes forest management activities should be conducted in accordance with the Healthy Forests Restoration Act. The County believes the only way to make real progress towards significantly reducing the threat of crown fire, increasing biodiversity and large diameter trees, and improving overall forest and watershed health is by implementing adaptive management on a landscape scale through intergovernmental coordination in planning and management. The County recommends the following.:

- Use existing local collaborative processes. The Catron County Commission is committed to collaborative efforts for forest restoration. The County has an existing collaborative process which is recommended as the model for addressing forest health and hazardous fuels reduction. the Catron County Commission suggests a new approach, more conducive to effective implementation of the Healthy Forest Restoration Act, entitled, Adaptive Management Demonstration Project for Implementing Community-Based Watershed Restoration & Management Program (see Exhibit 2 attachment). The members of the Collaborative Partnership include Catron County Board of Commissioners, Catron County 20 communities/ National Fire Implementation Team, Ecological Restoration Institute, New Mexico Natural Resources Dept., Forestry Dept., New Mexico State University, New Mexico Department of Game and Fish, Northern Arizona University, Rocky Mountain Research Station in Flagstaff, AZ, San Francisco Soil and Water Conservation District, U.S. Fish and Wildlife Service, Western New Mexico University.
- Follow NEPA planning requirements. NEPA provides the planning mechanism and guidance for proper intergovernmental coordination, as well as for processes to involve all stakeholders and special interest non-governmental organizations. In a letter dated 4/7/03 from the Catron County Commission to the USFS Proposed Rule Change for National Forest System Land and Resource Management Planning the county demonstrated how collaborative process fits into the federal legal USFS Forest Planning and NEPA planning processes. The County addressed the issues and alternatives for clarifying the differences and relationships between the collaborative social process and the legally binding forest planning and NEPA planning requirements for intergovernmental coordination. By following NEPA federal planning requirements, collaborative processes will be included that provided for full public involvement for all publics and all special interest groups.
- Supply Congressional oversight for the Catron County Commission's first priority: Expediting the reduction of hazardous fuel loads to protect the health and safety of its residents and communities. We respectfully request your support

and guidance in our efforts, as outlined in Exhibit 1: Intergovernmental Task Force for Expediting Hazardous Fuels Reduction.

3. Conclusions: Catron County believes that forest restoration and hazardous fuels management activities should be conducted in accordance with the Healthy Forests Restoration Act. We believe that through implementing our intergovernmental agency task force, we can make real progress towards significantly reducing the threat of devastating wildfire, increasing biodiversity, encouraging the growth of large diameter trees, improving forage and overall forest and watershed health.

Congressional guidance is needed to implement the Healthy Forests Restoration Act. We also believe that Congressional leadership can resolve the policy issues of special interests' undue influence—to ensure that public interests and duly-elected governments can effectively and in a timely manner implement the Forest Health Restoration Act with priority focus on expediting hazardous fuels reduction. True progress will follow and resolution of local problems will be achieved through community-based collaborative efforts.

- Exhibit 1: Catron County Commission Resolution: Intergovernmental Task Force for Expediting Hazardous Fuels Reduction
- Exhibit 2: Gila National Forest Adaptive Management Demonstration Project B A Prospectus for Implementation of a Community-Based Watershed and Management Program

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Exhibit 1:

STATE OF NEW MEXICO
RESOLUTION NO. ll

A PROCLOMATION FOR CATRON COUNTY COMMISSION INTERGOVERNMENTAL TASK FORCE FOR EXPEDITING HAZARDOUS FUEL REDUCTION & WILDFIRE PREVENTION

WHEREAS, high risks from catastrophic wildfires continue to be a significant threat to Catron County communities, private property and water supplies, and

WHEREAS, over the past three years a concerted intergovernmental effort has been made through the Catron County Twenty Communities group with emphasis on private land defensible space and the Catron County Commission supports these continued efforts of the Twenty Communities wildland urban interface program, and

WHEREAS, the primary source of catastrophic wildfire is on the public lands where significant hazardous build-up of fuels that immediately threaten County health and safety of communities, residents, water supplies and strategic sites and services, and

WHEREAS, federal and state resource agencies are in the process of identifying these high risk, hazardous fuel loads on federal and state lands, and attempting to develop mitigation plans and treatments to reduce these eminent threats from potential catastrophic wildfires and the prospects of implementing these mitigation strategies are now significantly improved because of new NEPA Categorical Exclusions, the U.S. Senate passage of President Bush's Healthy Forest bill, along with innovative land stewardship contracting for removing dense tree stands, the high fuel load source, and

WHEREAS, there remains significant health, safety and welfare risks and problems in removing the hazardous fuel load materials in a timely and cost-effective way, and there remains the need to develop the infrastructure for removing the hazardous fuel loads in a cost-affective ways, and

WHEREAS. Catron County Commission has memoranda of understanding and agreements with the Forest Service, BLM, and State Forestry for coordinated resource planning, including coordinated disaster planning.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF CATRON COUNTY, NEW MEXICO THAT:

1. Due to the increasing and immediate threats from hazardous fuel loads and catastrophic wildfires to people, communities, private property and water delivery, the Catron County Commission Declaration of Disaster and state of emergency remain in effect, and

2. Catron County Commission continues to believe that the health, safety and welfare of its citizens through the expeditious removal of hazardous fuel loads from federal and state lands, that are eminent threats to human communities, private property, water supplies, and strategic and emergency sites and services, and

STATEMENT OF PURPOSE: To the Catron County Commission hereby establishes the Catron County Intergovernmental Task Force for the Expediting Haz-

ardous Fuels Reduction and Wildfire Prevention and for a more a focused and direct planning and coordination with the BLM, Forest Service, State Lands and State Forestry.

OBJECTIVES: The Intergovernmental Task Force will advise and assist the Catron County Commission on the following:

- Develop intergovernmental coordination and planning for the expressed and sole purposes of expediting the identification and removal of hazardous fuel loads from the national forests, public lands of BLM and state lands that are high risks or threaten human communities, properties, water supplies and deliveries and strategic and/or emergency sites and services.
- Identify the relative high risks areas prioritization, mitigation plans and implementation priorities, project schedules, timeframes and requirements for expediting hazardous fuels reduction to include the 2004 fire season as well as multi-year planning and implementation.
- Coordinate and provide technical assistance for developing the mechanisms and infrastructure for the cost-effective methods for removing fuel loads from these public lands.

COMPOSITION AND STRUCTURE. The Task Force will:

- Consist of a Catron County Commissioner or designee, the Catron County Wildfire Prevention Coordinator or designee, Catron County Emergency Preparedness Coordinator or designee, a representative designated by the U.S. Forest Service for the Cibola National Forest and one for the Gila National Forest, a representative designated by the U.S. Bureau of Land Management, a representative designated by the New Mexico State Forestry, a representative designated by the New Mexico State Land Department, and three designees from the three local soil and water conservation districts.
- Will meet once a month and shall conduct its business according to New Mexico Opens Meetings Act.

The Catron County Commission will contact the government agencies, listed above, to establish a time to designate representatives for this Hazardous Fuel Reduction Intergovernmental Task Force.

DONE this 19th day of November 2003.

Approved & Signed

ATTEST: CATRON COUNTY COMMISSION

Ed Wehrheim, Chairman
Sharon Armijo, Clerk
Rufus Choate, Member
Lena K. Shellhorn, Member

Exhibit 2:

FOREST HEALTH DEMONSTRATION PROJECT ON THE GILA NATIONAL FOREST, NEW MEXICO

A PROSPECTUS FOR IMPLEMENTATION OF A COMMUNITY-BASED WATERSHED RESTORATION AND MANAGEMENT PROGRAM

SEPTEMBER 12, 2003

P. J. DAUGHERTY
G. B. SNIDER

"*Human rights B freedom, self-determination, and dignity B are impossible without a secure natural resource base on which to build and maintain them.*"

TIM CLARK 2002

"*The critical need today is not better ammunition for rational debate, but creative thinking about how to make management experimentation an irresistible opportunity.*"

CARL WALTERS 1997

INTRODUCTION

This prospectus presents an innovative approach for overcoming obstacles to solving the worsening forest health crisis in the Southwest. The approach involves de-

signing and implementing collaborative community-based adaptive management which explicitly addresses the ever present uncertainty in natural resource management. The project will make state and local governments true partners in ecosystem management and will move beyond the current management stalemate to create the sustained community stewardship of Forest Service lands in the project area. The prospectus proposes the development of a landscape-scale forest health restoration demonstration project. The project will use a collaborative process to design and implement a management plan for the restoration of forest and community health. The scale of the project will allow the testing and adaptation of forest health treatments that can truly improve associated community health.

BACKGROUND

Currently, society faces the risk of losing the forest ecosystems of the Southwest to insect outbreaks, disease, and catastrophic crown fires. The greatest risk to threatened and endangered species and the biodiversity of the forested ecosystems of west-central New Mexico is not logging, subdivisions, or livestock grazing, but catastrophic crown fire. Extremely dense stand conditions greatly exceed the historic range on the majority of the southwestern forest landscape. These conditions, exacerbated by drought, increasingly exhibit the symptoms of a forest health crisis caused by past practices and perpetuated by current inaction.

The remedy for these unhealthy conditions requires implementation of large-scale (greater ecosystem) restoration-based treatments designed to improve both forest and community health. When implemented on a sufficiently large scale, restoration treatments can simultaneously reduce the risk of crown fire and insect outbreaks, restore watershed function and condition, increase biological diversity, and improve socioeconomic well-being by promoting sustainable economic development within local communities.

Local, state and federal agencies, as well as industry and many environmental groups agree that restoration treatments would begin healing forests and watersheds. However, the current pace and scale of implementation remains inadequate to significantly reduce the risk of collapse (e.g., as evidenced by the Rodeo-Chedeski, Biscuit, Cerro Grande, and Hayman fires). We have been treating hundreds of acres at a time, while millions are at high risk and thousands are moving into high risk conditions each year.

Over the past decade and currently, the Gila National Forest's management practices essentially amount to a "no action" alternative imposed due in large part to the threat of appeal and litigation. This continuing management inaction further exacerbates the decline in forest health described above. Certain interest groups/stakeholders continue to voice strong opposition to certain types of active management, particularly commercial timber sales. Whether motivated by an honest distrust of forest service management or by perceived benefits derived from current inaction, these groups have been able to impede implementation of forest health treatments.

In such cases of institutional impasse, policy and management change often occurs in response to an event which creates a policy crisis that cannot be ignored. The policy crisis allows a restructuring of power relationships among stakeholders and changes in policy and management practices (Gunderson et al. 1995, Gunderson 1999, Walters 1997). In the southwest, this type of event occurred in the form of unprecedented, massive stand-replacing fires, and creates the opportunity to move forward with forest health treatments. The time to act is now! The Gila National Forest recognizes this opportunity and supports a restructuring of relationships.

The Gila National Forest and a large number of interest groups and governmental agencies want to create a new partnership to advance ecosystem restoration on their forest. While they recognize that science and information will always be uncertain, they also realize that the current health crisis requires action to avoid further loss of large segments of the forest ecosystem. This emerging partnership creates the opportunity to develop a collaborative approach to adaptive ecosystem management at the landscape scale. Adaptive management represents an integrated, transdisciplinary approach for confronting uncertainty in natural resource issues. The partners will collaborate in the design and implementation of adaptive treatments to improve forest and community health.

OBSTACLES AND OPPORTUNITIES

A number of factors impede the design and implementation of large-scale forest health treatments. The demonstration project proposed in this prospectus represents a unique opportunity to confront, understand, and overcome these impediments:

1. Strong opposition to experimental policies and management strategies by persons protecting various self interests.

Leadership and support for adaptive management rarely comes from bureaucratic management agencies. Fortunately, the Gila National Forest has demonstrated their commitment to this type of an approach by agreeing to the decentralization of the management process. However, the proposed change to a collaborative, adaptive management approach may be perceived as threatening by some interest groups.

2. Management agencies are trapped by cumbersome, inflexible, formalized process and narrow interpretations of legal mandates.

Resource management agencies constantly deal with uncertainty. A common response has been to adopt a command and control approach that assumes we can replace the uncertainty of natural resource issues with the certainty of process. In the name of environmental protection, the focus has shifted from protecting and managing resources to policing processes. The search for sustainability will fail unless the focus changes from being concerned with certitude in planning and process to iterative shared learning and perpetual adaptation to an ever-changing world (Carpenter and Gunderson 2001, USDA Forest Service 2002).

The current power arrangement among stakeholders and management agencies is highly unproductive. Those who benefit or perceive benefits from the current system are able to stalemate implementation of alternative management strategies. The recent histories of appeal and litigation (real and threatened) are indicative of little versatility in policy and process (Gunderson 1999). The project must develop an agreement among collaborators which will maintain collaborators' commitment to the process and the outcomes of that process. The agreement must also protect the process from those unwilling to commit.

3. Demands for spurious certitude.

One symptom of the current management pathology involves the request by organizations and interest groups for more and more precision in data about more and more variables. These requests often have little to do with learning to improve management decisions. More often than not the requests involve attempts to delay management action or to become invulnerable in the courtroom (Gunderson et al. 1995). Wildlife ecologist and former Chief of the Forest Service, Jack Ward Thomas (1992) has questioned the rationale for such "unreasonable degrees of certainty. The biology of certain wildlife populations and habitat relationships is not conducive to precise estimates, no matter how much they are studied."

This demonstration project will use existing science and a collaborative process to define a set of indicators to monitor improvement in forest and community health. All issues in forest restoration can be addressed by a small set of variables, and if these variables are monitored and improved, the rest of the ecosystem components will take care of themselves.

4. Short-term, single resource/species focus.

A short-term, single resource focus defies ecological insights established decades ago by Aldo Leopold (1970). We must change the focus of land management from short-term risks and single resources to long-term landscape-level conditions which address all species and resources.

The demonstration project will establish a process with built-in long-term learning. The collaborative partners will be asked to ensure that all management decisions and actions explicitly address the needs of future generations.

5. Loss of community infrastructure to carryout forest restoration treatments and to use resources provided by treatments

The community infrastructure needed to implement management actions no longer exists in the project area. Commercial utilization of restoration by-products, especially small-diameter logs, could reduce the costs that will otherwise be borne by taxpayers. But the current limited scale of restoration work in the Southwest presents a barrier to market development. Manufacturing firms want a reasonable expectation of a raw material supply throughout their planning horizon of ten to fifteen years (Mater Engineering 2001). The current reasonable expectation is that supplies of wood fiber from restoration projects will remain intermittent and variable due to litigation or the threat of litigation by environmental groups skeptical of the influence a profit-driven system can have on ecological systems.

Two potential solutions (or combination of) exist for this problem. The first would require that participants define credible rules for projects to ensure that project planning and implementation focus on ecological responses, treating removed wood fiber as a by-product. The second solution involves the subsidized development of

local firms through grants, tax breaks, and other mechanisms (Daugherty and Snider 2003).

6. Lack of focused and determined leadership and support (both politically and financially).

To be effective, natural resource policy must enjoy the support of the public and its representatives for as long as it takes to implement the policy and for the natural system to respond to actions. Policy must be built on, and promulgated from, an enduring structure (Baskerville 1995).

The demonstration project must have the authority and means to act immediately and over the long-term.

APPROACH TO ACTION

The School of Forestry at Northern Arizona University will initiate and lead the development of a demonstration landscape-scale forest health restoration project. The project will take an adaptive ecosystem management approach, nurtured and implemented by collaborative partners willing to explore new ideas and flexible opportunities for restoring ecosystem health. This approach provides the best opportunity to confront, understand, and overcome to the obstacles outlined above.

Adaptive management is based on the premise that knowledge about the system we deal with will always be incomplete and that unexpected events can and will occur. We do not know everything and we never will. We cannot allow the pretense of waiting until enough is known to postpone needed action.

There are no risk free management actions. Indeed, under present forest conditions, the no action management alternative may very well be the most risky of all. Failure to implement large-scale forest health treatments is negligent and irresponsible (Covington 2002).

While the collaborative adaptive management approach we are proposing may be considered as new and innovative, it is based on a sequence of works that have tested and expanded the theory and practice of ecological restoration and adaptive ecosystem management for over 25 years.

Funding is requested in this prospectus to bring together the three groups of people who must interact to understand and manage these systems—the resource managers who must make decisions within a framework of existing policies and partial knowledge, scientists who attempt to understand and communicate the systems dynamic, and the citizenry who benefit from or must endure the policies and results of management—to design and implement a community-based adaptive management demonstration project in the upper San Francisco River watershed on the Gila National Forest, New Mexico. The initial suggested project area (see figure 1) would encompass that portion of the Gila National Forest north of the Blue Range Wilderness and Negrito Ecosystem Management Area and west of the continental divide.

As recommended by the Western Governors Association, we will utilize a collaborative approach for participatory decision-making and local action. Members of the collaborative partnership will participate in all phases of this project. A preliminary list of members is provided below.

Members of the Collaborative Partnership

Catron County Board of Commissioners
Catron County 20 Communities/National Fire Implementation Team
Ecological Restoration Institute
New Mexico Natural Resources Dept., Forestry Div.
New Mexico State University
New Mexico Department of Game and Fish
Northern Arizona University
Rocky Mountain Research Station in Flagstaff, AZ
San Francisco Soil and Water Conservation District
U.S. Fish and Wildlife Service
Western New Mexico University

OBJECTIVES FOR YEARS 1 and 2

With support for this prospectus, the objectives for the first two years are:

- CDefine specific duties and responsibilities among collaborative partnership members and put agreements in place.
- CAdaptive management area delineation. The suggested project area encompasses the northern portion of the Gila National Forest west of the continental divide. The final delineation of the project area needs to be part of the collaborative process.
- CDefine "Desired Future Conditions." This task involves addressing the question of "What kind of home do we want to leave for our grandchildren?" We rec-

ognize that biophysical and socioeconomic ecosystems will change over time, but we can ensure that future generations will have as many choices as we have today.

- CDesign management strategies and actions needed to achieve long-term goals (including investigations of small wood supply, demand and utilization).

WHY NORTHERN ARIZONA UNIVERSITy oN THE UPPER SAN FRANCISCO WATERSHED IN WEST-CENTRAL NEW MEXICO?

The negative consequences of past management practices and current inaction are readily apparent in the ponderosa pine and pinyon-juniper ecosystems of west-central New Mexico. Northern Arizona University School of Forestry faculty and students have been involved in fire ecology and restoration research in these ecosystem types for over 25 years. Much of the scientific work which laid the foundation for restoration-based fuel treatments has been done at NAU. The Ecological Restoration Program at NAU is the national leader in research, education, and technology transfer for ponderosa pine forest ecosystem restoration.

The School of Forestry at Northern Arizona University will be the proponent and fiscal agent and will be responsible for program management and coordination.

CONTACTS

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Mr. PEARCE. Mr. Choate, you mentioned a place in Catron County where you do not have much development and no cell phone service. And if I could get you to give that location to my staff I would like to go there for a day or two in the near future; thank you. We do have some areas of rural undeveloped New Mex-

ico and I know that Catron County is one of the great areas for that.

Mr. Wehrheim, when I was in Catron County we took a look at a grant location of where the Forest Service had given a grant to create a timber mill or—Tell me a little bit about that project and where it stands today, how much was involved and how much, how much how many board feet we've processed through that.

Mr. WEHRHEIM. Congressman, that grant was—went through the Catron County Citizens Group. It has been a 2-year project. To date we have not cut one tree. And they have no—absolutely nothing to do with the small-diameter timber, even if they could cut it.

Mr. PEARCE. How many jobs have been created in your county with that grant?

Mr. WEHRHEIM. There have been two jobs, construction jobs to build that small-diameter mill in Catron County.

Mr. PEARCE. What seems to be the problem? Why is the mill not operating?

Mr. WEHRHEIM. That's kind of a matter of opinion. I feel like that it was all more or less bogus. I don't see any overall plan to use—I don't think he has a means of getting wood out of the forest. I don't think it has anything to do with it after he gets it out. The mill was created in order to use grants.

Mr. PEARCE. At one point when we were in the county that it seemed like there was not even electricity to the site; has that oversight be cured?

Mr. WEHRHEIM. They are in the process now and are hoping to flip the switch on the mill itself sometime this spring, March or April. Still, no wood, no wood has been cut and nothing has been—no plan has been developed to use the wood.

Mr. PEARCE. Can you tell me the approximate size of that grant?

Mr. WEHRHEIM. This is only what I hear. It's not documented, but it's 1.2 million.

Mr. PEARCE. So the Forest Service gave a grant for 1.2 million and not one board foot has yet occurred, and even when the grant was given there was not even electricity available at the site they gave the grant for?

Mr. WEHRHEIM. That's correct.

Mr. PEARCE. Now, there was also then a grant, successive grant made to the same organization for another amount to Forest School Project, to Greenhouse School Project; is that right?

Mr. WEHRHEIM. Yes, sir.

Mr. PEARCE. What is the status of that grant?

Mr. WEHRHEIM. The—that grant was given and promises were made to the school. The school developed its itinerary around that program. And as to date there hasn't been a shovel of dirt turned. This is a 2-year program.

Mr. PEARCE. And it's the same group who received the previous grant?

Mr. WEHRHEIM. Yes, sir.

Mr. PEARCE. Well, Ms. Cowan, do you think that the—that the AUM reductions can be attributed solely to the droughts or are there other things that play? And, by the way, you've made the offer of getting a copy of that Arizona report, and we would take you up on that.

Ms. COWAN. As to the question about AUMs, no, it cannot be attributed solely to the drought, and endangered species are playing into the situation. There is a grazing guidance document that's out of the Fisheries, Wildlife and Rare Plants Division of the Forest Service that gives guidance to regional or district rangers, and that document is being used to to cut AUMs as well.

Mr. PEARCE. OK. Mr. Choate, you all are looking to invest in the biomass plant. The testimony seems to be that there does not seem to be much infrastructure left in the county. How do you foresee solving that problem of getting small-diameter trees cut and transported to your biomass plant?

Mr. CHOATE. Naturally I would like to see it done on a small stewardship contract so that the people would not be one big entity, come in and take charge of cutting it and hauling it. It would be the people that live there that was in the logging would have an opportunity to make it a family owned process. And I think it would be more, more continuance if those people did it.

Mr. PEARCE. Ms. Cowan, I would like the Committee staff to work with you to structure the questions, formal questions from this Committee that you've raised on this science really being involved in the process. If you would, work with either Teresa or Erica before you leave today. And I would like to submit those today as formal questions to the Forest Service.

We'll also follow up. We have asked—previously, our office has asked previously what the status of these particular grants have been, but we'll follow up. We might get more information. I do not think that our office has ever received a formal reply on the status of those and why those grants were, especially the second grant, given that the first one was not producing, was, was awarded.

I think that that stewardship of public funds is one of the most tremendous responsibilities that all of us face. And when we see waste around us, no one has a greater opinion of the government at that point. If you would work with us on that. I appreciate your testimony and I appreciate your willingness to travel to this hearing today. I thank you very much.

Mr. WEHRHEIM. Thank you, Congressman.

Mr. PEARCE. Our third panel is going to consist of Dr. John Fowler, Range Improvement Task Force Cooperative Extension Service, College of Agriculture and Home Ec; that's at New Mexico State University. Ms. Thora Padilla, Resource Program Manager, Mescalero Apache Tribe. Sherry Barrow, President of the SBS Wood Shavings. Ms. Laura Falk McCarthy, the Forest Protection Program Director, Forest Trust.

If we can get you all to stand.

[Witnesses sworn.]

Mr. PEARCE. Again, I'm sure you heard me, but let me remind you that under the Committee rules you must limit your oral statements to five minutes. Your entire statements will appear in the record and be available to Committee members.

Now I recognize Dr. Fowler for his statement.

STATEMENT OF JOHN FOWLER, Ph.D., RANGE IMPROVEMENT TASK FORCE, COOPERATIVE EXTENSION SERVICE, COLLEGE OF AGRICULTURE AND HOME ECONOMICS, NEW MEXICO STATE UNIVERSITY

Dr. FOWLER. Congressman Pearce, we are very grateful for this opportunity to be here this afternoon. I cannot speak as rapidly as Caren Cowan so I will abandon my dissertation of the written testimony and ask that that be submitted for the record.

I will go directly to six visuals which I have prepared for this afternoon—or this morning. It's to give some figures to some of the claims and information that's been presented here. It's always nice to have some facts and figures to work from. The first figure I have, and I excuse, for the radio audience I'll try to be visual in my audio presentation, is that we have had a historical cut sale in New Mexico. And that's my Figure 1, and it's been around 120 million board feet for the State of New Mexico since the '50s through the mid '80s. Now this amount of cut sale has drastically been reduced and drastically been reduced here recently.

If we look at a couple of time periods, and I'll take out the peaks and drops because they can be used to manipulate figures, and go to decade averages. I believe this is how we need to look at our timber harvest for the state. From the period 1976 to 1985, in the State of New Mexico we were at 123.6 million board feet. This has been reduced to 83.5 million in the period from '86 to'95, and then down to 27.7 million from the period '96 to 2003.

And what you see with these types of reductions, Congressman, is that our local communities are virtually imploding. They are in harmony with the forests. The forests are the economic epicenters for hundreds of years since their inception, and without that supply of timber our communities can no longer function and have not been able to have a tax basis and to maintain their infrastructure.

Now this is not just all the forests. If you look at a couple of forests, in particular the Lincoln in your district, Congressman, has gone from 10.8 million in the '70s down to 3.2 million. And if you look at the Gila, it has gone from 34-and-a-half million down to three. Now these are just very dramatic figures that show the level of intensity of these communities are experiencing.

Caren Cowan brought up some of the personal things that are going on with the individuals and residents of the county that are just absolutely damaging.

I'd like to go to fire. If you don't harvest it, things accumulate. And the Figure 3 that I have presented for you, Congressman, is a very rudimentary approach to fire. If you don't harvest it, the fuels accumulate. And we're actually over one billion point two board feet of accumulation just because of lack of harvesting alone. This doesn't count the growth, this doesn't count the increase, the number of stems per acre; we simply haven't harvested it. It's out there and it stays there. We have to do something about that situation, Congressman.

I'd like to also talk about the acreages of burns, you know. In the early '70s, the same period, I talk about a 10-year period, we were having less than 5,000 acres a year being burned. Those figures have jumped to over 40,000 acres a year for the last two decades. That's our resources going up in smoke.

That's a renewable resource that has not been harvested we've allowed to go ahead and be eliminated through fire. It's an opportunity cost, but our people cannot absorb it. It's an opportunity cost that our forest cannot absorb through decadence, through competition for available resources, for limited resources of water and nutrients. Our trees are no longer healthy.

Stands that historically stand 9 and 10 stems to the acre are now over 2000. They absorb water, they compete, they are not vigorously growing, therefore they're very susceptible to attack and epidemics, just like we have in the bark beetle infestation throughout the state.

Let me go to the AUM question. If we look at your Figure 5, Congressman, that's the Gila Forest, and that is the actual Animal Unit Months of grazing that are currently ongoing in the Gila. Now I have a current piece of research, we're looking back at the Gila back to 1906 and walking those through time to get an idea of how allotments have changed, how many people are there, how many people have gone, what seasons of use they use. The thing that comes out so dramatic is the decline of Animal Unit Months. We're talking about 300,000 Animal Unit Months during the period 1954 through '84, '85; fairly stable, fairly constant. An Animal Unit Month is a measure of a forage required to sustain 1,000 unequivalent for 1 month.

Now, the thing that's so dramatic as you look to '84 and you start looking, is precipitous decline in AUM in the U.S. There's not one cause and effect, it's not simply regulation, it's not simply drought, it's a combination of close canopy drought, regulatory burden, expanding on the units and infrastructure that's collapsing around.

And I can take you to the last figure, and that's a very complicated figure called the Palmer Drought Severity Index. To give you an idea of where we are today versus how we fare in droughts historically, going back to the 1895, just a little before our time, there were some really severe droughts in the top portion of that visual. These drop down into six or 7 years of what's called extra severe or extreme droughts. And then during the 1940s we had a drought from 1943 to '57. There was really responsible for a lot of the brush and culture that New Mexico has incurred.

And how does that compare to what we're experiencing now? I mean that's one of the fundamental questions. And if you will look at the lower portion of that visual you'll see that the Drought Severity Index has now touched the minus four category; that's gone from severe to the extreme. And we're into it but, still, we have not reached a drought that equals some of the historicals we've had. We can only be in the beginning of this, Congressman. These things we're having, these experiences, they could be exacerbated through time and we might only be halfway.

The one other thing, in that visual, I want to point your attention to, was a very extremely wet period that's been referred to earlier in this testimony from '82 through '93. Our elk populations, antelope and other wild ambulants, they're very opportunistic animals. They expanded into that favorable moisture and that's what allowed us to have these larger herds that we have experienced through time. So now what we have is an additional problem, burdensome unit supplies.

I've kind of painted a picture of bleakness for our state. There are some solutions. And I'd like to take just a moment to, if you would allow me, to go to some managerial recommendations. We have to go to long-term range condition and trends, use good science as a basis. We cannot react to the conditions from one sole year. We have to get the agencies and permittees on the ground together.

Without this mutual on-the-ground examinations and understanding each other's position we will never develop a trust that is necessary for resource management. We need to relocate key areas to better represent our odds. These key areas were, in many cases located 40, 50 years ago. Since then we've had water development, roads, that have been changes out there in our ecosystems, and these key areas need to represent the majority of allotment, not just a small fraction.

I'd like to recommend to you, Congressman, a methodology called a RAM methodology. It's called a Rapid Assessment Methodology. It allows us to look at the unyield population. It allows us to look at the forage that's out there and their subtle heights. It allows us to look at the moisture regime that currently exists to make an assessment, is there available forage for ambulance, both wild and domestic, to bring science back into a situation on a site specific basis.

And I'd also like to build on the historic Parker three-step bases that the U.S. Forest Service already has in existence. It's old but it's proven science. We can work with that system, Congressman.

Now, I've got a summary, and the summary is very quick. To provide timber to communities in the Nation we need to responsibly harvest, monitor and implement good science. To enhance the AUMs for both wild and domestic, we need to responsibly harvest, monitor, in good science. To protect the citizens from ravages of wildfire we need to responsibly harvest, monitor and study science.

To protect our endangered species we need to harvest, monitor and science. To enhance our watersheds, harvest, monitor and science. To maintain and obey our existing laws. And I'm talking the 1897 Organic Act, the Administrative Procedures Act, the Resource Planning Act, the National Forest Management Act, the Forest Planning Management Act, Multiple-Use-Sustained Yield Act, and the National Environmental Policy Act, are giving you language for each one of those acts. And every one of them talks about timber harvest and protecting our local communities. And I've provided the language, Congressman. We need to follow that, our prior congressman has suggested, and harvest our timber responsibly.

With that, Congressman, I thank you for this time. Thank you.

Mr. PEARCE. Thank you.

[The prepared statement of Dr. Fowler follows:]

Statement of Dr. John M. Fowler, Coordinator: Range Improvement Task Force, Distinguished Chair: Tom Linebery Policy Center, New Mexico State University, Las Cruces, New Mexico

Mr. Chairman, distinguished committee members, I greatly appreciate the opportunity to provide input to the hearing on "Management and Access Challenges Across Southwestern Forests". My comments will deal directly with the forests and rangelands in New Mexico.

New Mexico has relies historically upon renewable natural resources as a source of food, fiber and shelter. To date, a substantial portion of the population and economy remain closely tied to its agrarian roots. Forested landscapes have served as social, economic and ecological epicenters. New Mexico forest represent an "oasis" in a semi-arid landscape that serve as habitat for wildlife, provide quality dependable sources of water and house a diversity of flora and fauna.

New Mexico could be viewed as developing country that traditionally supplied raw natural resource products to the developed world. At a recent conference at the Dallas Federal Reserve Bank; there were eight criterion listed for the successful incentives to encourage investment and expand economics [1].

1. Private Property Rights
2. Ability to Generate & Retain Profit
3. Providing an Infrastructure to implement
4. Individual Rights
5. Low Regulatory Burden
6. Change Expectation (get to one person at a time)
7. Look for Marginal Increments
8. Initiate with the Grassroots

Where are the National Forests in their meeting the criteria for growth?

Increased regulation of the use of natural resources and associated by-products has placed additional pressure on New Mexicans seeking to make a living through the utilization of natural resources. Often, these regulations force resource managers into single-species or single-issue management to the detriment of the ecological and economic system as a whole. Whereas timber management and silvicultural treatments may be used to benefit a range of ecological characteristics (i.e., wildlife, watershed hydrology, endangered species), enforcement of single minded regulations precludes activities that can benefit a broader cross-section of ecological functions.

For example, forage supply has been shrinking in forests throughout New Mexico over the last century. Exclusion of frequently occurring, low intensity fire, increasing densities of small-diameter trees, pinon-juniper encroachment, and a decreasing area of mountain meadows due to tree encroachment have all contributed to several undesirable conditions including: 1) increased likelihood of catastrophic, stand-replacement forest fire and increased threat to infrastructure in the urban-wildland interface, 2) increased competition among wild and domestic ungulates for forage resources and habitat, 3) decreased water supply, disrupted historic hydrologic cycles, and associated reduction/disruption in riparian habitat. These conditions, in turn, negatively impact economic opportunities for individuals seeking to use natural resources provided by the forests. Healthy, productive, and resilient forests are better able to effectively balance ecological function and economic productivity without disrupting sustainability. How resource managers choose to address these imbalances will make the difference between success and failure. Successfully addressing these challenges will require informed decisions based on multidisciplinary research and adaptive resource management strategies.

Southwestern forests, particularly those dominated by ponderosa pine (Pinus ponderosa var. scopulorum Engel.), developed under the influence of frequent fire, which shaped vegetation composition, structure, and succession. Factors contributing to the decline of southwestern forests around the turn of the 20th century included logging practices that removed overstory trees allowing for prolific conifer regeneration, and heavy grazing by sheep and cattle, which removed the fine fuels necessary for fire spread. However, the overriding impetus within the last 80 years contributing to changes in forest sustainability has been the practice of aggressive fire suppression and exclusion. In addition, the recent paucity of silvicultural treatments of federally administered forest has further contributed to homogeneous stands characterized by increased fuels and stem densities, which in turn are more susceptible to insect and disease epidemics. As a result, high-intensity crown fires have replaced low-intensity fires in southwestern pine-grassland stands threatening not only those communities at the wildland-urban interface, but also the ecological integrity of vast areas throughout the west. Following such disturbances, major erosion and runoff events occur leading to substantial and long-term changes in hydrologic soil behavior, water quality and quantity, nutrient stores, microclimates above and below the soil surface, forest productivity, and riparian habitat. High-intensity crown fires also threaten and destroy timber resources, understory vegetation, wildlife habitat, and compromise management for multiple uses.

Communities and their respective economies are virtually imploding within New Mexico and throughout the western United States. Not only is the economic viability

[1] Dr. William Easterly, The Elusive Quest for Growth.

of individual firms being threatened, but entire industries and associated industries are on the "threshold" of economic survivability. Threats to the primary resource industries are having a ripple effect and are now consuming entire communities. when evaluating the rural New Mexico economy in 1998, exclusive of Bernalillo, agriculture is ranked as the fourth largest sector with an output of 1.96 billion. This is over 5% of the total rural economy.

TIMBER HARVEST

Forests in New Mexico have been providing much needed and renewable resource to local communities. Examination of the interdependence of raw timber products and conversion to value added forest products has historically to the economic viability of local communities and has been integral to their customs and culture. The silvicultural treatments have prevented extensive fuel buildup. The pattern of timber sales in New Mexico over the period of 1976 to 2003 displayed in figure #1. The precipitous decline from a peak in 1986 of 168 million board feet (MMBF) to a low 13 MMBF in 1996. This constitutes a 92% decrease in cut and sold. It is more appropriate to look at 10 year periods of forest products, which I propose are necessary to assure continuity of supply of products to encourage private sector investment. The average cut and sold figure for New Mexico from 1976 thru 1985 was 123.6 MMBF. The decade from 1986 thru 1995 produced 83.5 MMBF and the period from 1996 thru 2003 produced 27.7 MMBF. Even when the cycle is smoothed with decade averages, the 78 percent decline is stunning; the decade averages reveal that nearly 100 MMBF a year are no longer being made available to the economic viability of communities nor silviculture practices being applied: the result is rapidly escalating fuel buildup in the national forests.

The same pattern is evident on a forest by forest basis. Examining decade averages for the Gila and the Lincoln forest (see figure #2) shows the same type of decline but even a more pronounced decline the in Gila. Looking first at the Lincoln, the cut sales averages dropped from 10.8 MMBF to 3.2 MMBF or a 70 percent decline. The Gila, however, declined even further with a decrease from 34.5 to 3.0 over the decades, which constitutes a 91 percent drop. (Table #1)

Table 1

Period	N.M. State	Lincoln	Gila
		MMBF	
1976→1985	123.6	10.8	34.5
1986→1995	83.5	8.4	21 8
1996→2003	27 7	3 2	3.0

Source: USFS

An additional concern is that when timber harvest is discontinued this material accumulates and adds to the fuel load. A rudimentary approach to determining the accumulation would be to use the 10 year average of harvest from 1976 thru 1985 and determine the harvest reduction , accumulate the harvest reduction will indicate the fuel buildup. This 1.2 Billion board feet accumulation is presented in figure 4 for the state of New Mexico.

The recent closure of sawmills, Tricon Lumber at Cimarron, Rio Grande Forest Products at Espanola, Stone Forest Industries at Reserve and White Sands Forest at Alamogordo; White Sands Sawmill has reopened under Mescalero ownership at Alamogordo, highlights a loss of infrastructure even if the decision was made to reinitiate silvicultural harvest practices in 2003 it would be physically impossible to implement.

FIRE

It logically follows that has fuel loads build up the potential for fire increases and particularly stand changing fire.

Examining the same time periods for fire as were examined for harvest (Figure #5), it is apparent that the decade from 1976 through 1985 was uneventful. Fire suppression policies were in place and obviously successful. The average acres burned per year for the 10 year period was 6,833 acres. A gap in the data exists in the acres burned from 1987 and 1988 on National Forest System lands, however, acres burned has obviously increased from the previous 10 year average to 42,081. The period 1996 to present reveals that the burned acreage is also higher than the 1976-1985 period and exceeds the prior decade with 42,698 burned per year. This

trend will inevitably continue until management prescriptions reduce the fuel build-up.

GRAZING AUMs

Livestock grazing has a rich history in New Mexico, this history and tradition has been embraced in the local customs and culture of communities and highlighted in many county ordinances and resolutions. (Otero County Resolution No. 02-19-02/90-37).

The Southwestern Region of the USFS provided a summary of the R-3 History of Grazing. The Forest stated "Actions by the Southwestern Region have brought about a decline in grazing use in its efforts to balance use with the capability of the land". The data revealed a peak of approximately 1.4 million in 1910 with a rapid decline to 400,000 livestock by 1950 and a slower but steady decline in numbers till 1998 where the livestock totaled approximately 200,000 head for the Southwestern region.

Gila: The decline in livestock numbers for the region is further documented when examining an individual forest such as the Gila. The Gila peaked in the number of Animal Units Months (AUMs) at over 1 million AUMs for the period 1918-1922. The 50 year period from the depression of 1934 through 1983 was characterized by relative stability with AUMs hovering slightly above 300,000 AUMS's. A careful examination of AUMS's from 1976 to 2001 reveals that the AUMS's of the Gila have since declined by another 52 percent from 334 thousand AUMS's in 1976 to 159 thousand AUMS's in 2001. Reverting to the decade averages to smooth the annual fluctuations reveals that there were 315 thousand AUMS's for 1976 thru 1985. 257 thousand AUMS's for the period 1986 thru 1995, and 172 thousand AUMS's for 1996 to 2002. It should be noted that the 2002 data is incomplete to date. These AUMS's convert to 3 head per section for a stocking rate basis. The financial impact to local communities and counties has been staggering.

DROUGHT

Ranching in the semi-arid southwest requires an iron will and intestinal fortitude. Climate, forage and grazing conditions are more suited to promoting the reproduction and early growth of animals rather than fattening, therefore, most range livestock producers raise young stock for sales. Ranchers understand the adversities of nature and virtually every account of ranching stresses some sort of drought management or lack of it.

Consulting the Palmer Drought Severity Index (Figure 6) for New Mexico for the period 1895 thru 2003 reveals that although drought is not predictable, it's a reality with a high degree of probability. Prolonged severe drought have a history in New Mexico, 1897 thru 1904 was particularly severe and the relatively recent protracted drought from 1943 thru 1957 altered the grasslands and was conducive to brush invasion. The most recent drought period directly impacting the forests and rangelands started in late 1995 and has continued to present. In terms of index numbers the period doesn't stand out among the great droughts. The most recent years of 2001, 2002 up to November of 2003 have been adverse with 2003 and 2003 surpassing the severe drought range of -3.00 to -3.99 and touching the extreme drought category of ≤-4.00. It must be recognized that drought and drought relief are spotty necessitating a site-specific determination.

Just as evident as the drought period is the wet period of 1983 through 1993. During this 11-year period of favorable moisture many wildlife species such as elk and antelope flourished and expanded into favorable forage areas. This expanded numbers of elk have been in direct competition with livestock for diminished forage and water.

Santa Fe: The Santa Fe National Forest (SFNF) hosted significant controversy during the summer of 2002. Following a declaration of deteriorating range condition, and unacceptable levels of range use, U.S. Forest Service Region 3 officials called for complete removal of all domestic livestock from a large number of SFNF allotments. Citing inadequate range surveys, a lack of quantifiable data on range condition, and broad-brush grazing decisions by U.S. Forest Service Region 3 officials, permittees, industry representatives and community leaders requested the assistance of the Range Improvement Task Force (RITF) at New Mexico State University. Accordingly, the RITF assembled seven teams of range science technicians, agency personnel, and grazing permittees or their representatives to conduct quantitative range assessments on 25 allotments on the SFNF.

Historic records of range monitoring activities on the SFNF are intermittent. Generally, monitoring efforts that were conducted during the 1950's and 1960's were quite thorough. These efforts taper off into the 1970's with minimal data collection occurring in recent decades. The RITF's analysis of the most recent range

monitoring data calls into question some of the methodologies that are currently being used and interpretations that are being made. They fall short of the quantity and quality of data collected during earlier years. In fairness to the agency, personnel in recent years have less time to spend in the field collecting sound monitoring data and interacting with permittees as they allocate increasing amount of time to the National Environmental Policy Act (NEPA) and responding to negotiated settlements and lawsuits. As a result, long-term range condition and trend databases have suffered.

The RITF in cooperation with faculty from the Animal and Range Science Department at NMSU assembled a set of methodologies (RAM) designed to rapidly assess range condition to assist in making management decision regarding stocking and suitability of the range to support grazing.

The RAM methodology has been used to estimate forage availability in New Mexico during 2002 and 2003.

MANAGEMENT RECOMMENDATIONS:

Monitoring: Long-term range condition and trend data are fundamentally necessary for grazing managers and agency personnel to make comprehensive assessments of resource conditions, livestock management strategies, and wildlife numbers. Federal agency habitat responsibilities, permittee livestock management objectives, and State Department of Game and Fish objectives may all be simultaneously addressed with solid monitoring data. Without these types of site-specific data, officials and permittees cannot make informed decisions and carry out their responsibilities. Agency personnel and permittees should spend time together, "on-the-ground" conducting resource monitoring in order to open lines of communication and reestablish a working relationship. Having established this rapport, permittees and agency personnel can work together when adverse resource conditions exist and difficult decisions need to be made. The decision process needs to be as dynamic and evolving as changes in natural resource conditions. Early, incremental decisions need to be made, which can improve trust and cooperation. Proper collection and documentation of monitoring data can also solve many of the problems associated with federal agency personnel turnover and lack of accountability.

Site specific vegetative monitoring is essential:

a) Agency/permittee on-the-ground together
b) Relocate "Key areas" to represent the allotment
c) RAM methodology to assess forage availability
d) Open lines of communication
e) Build on historic Parker 3 Step data base

Reduce the fuel load: Pre-commercial, commercial, thinning and fuel reduction treatment are means to reduce fuel load. Consider the concept of linking meadows with treatment to form a latitudinal and longitudinal set of barriers to bring wild fire to the ground for containment, life protection and flow of products.

Research: Cooperatively develop research partnerships between University and Experiment Stations such as:

Dr. Red Baker, "Riparian Area Response to Different Lessons and Intensities of Cattle Grazing in the Gila National Forest, New Mexico". *Preliminary results indicate increasing use of woody riparian vegetation with increased grazing intensity—particularity during dormant season.

Dr. Red Baker, Inventory and Classification of Wildfire Occurrence in Treated Versus Untreated Forest Stands on Southwestern National Forests. *Preliminary results are highly encouraging on positive effects of silvicultural treatments on reducing fire intensity.

Dr. Jon Boren, Foraging Relationships Between Domestic and Wild Ungulates on Salvage cut Areas in Lincoln National Forest. a) Based on pellet group data, elk used logged forested areas to the same approximate extent as mountain meadow habitats during the growing season. If the objective is to decrease the use of sensitive meadows by elk, a solution may be as simple has harvesting timber or other silvicultural treatments in the uplands to increase grass production.

SUMMARY

To: provide timber to communities & Nation
1) Responsibly harvest & monitor, sound science
To: enhance AUMS's for ungulates, wild & domestic
1) Responsibly harvest & monitor, sound science
To: protect citizens from ravages of wild fire
1) Responsibly harvest & monitor, sound science

To: protect endangered species from wildfire
1) Responsibly harvest & monitor, sound science
To: enhance Watersheds
1) Responsibly harvest & monitor, sound science
To: obey existing laws
1) Responsibly harvest & monitor, sound science

1897 Organic Act -NFMA 1976 -FLPMA 1976
-1946 APA -NEPA 1969 -MUSY 1960
-RPA 1974

To: provide security of tenure
1) Responsibly Harvest
10 year fire lattice
w/ 10 year thinning

LAWS

Organic: Under the Organic Administration Act of 1897 (16 USCS 473 et seq.) National Forests are not reserved for aesthetic, environmental, recreational or wildlife preservation purposes, but rather for only two purposes- to conserve water flows to furnish a continuous supply of timber for the people.

MUSY: Multiple Use-Sustained Yield Act of 1960 (16 USCS 528 et seq.) Broadened the purposes for which National Forest had previously been administered so that forest are administered for outdoor recreation, range, timber, watershed and wildlife and fish purposes.

APA: Administrative Procedures Act of 1946; expressly provides the authority for federal review of EIS's/ROD's, EA's/FONSI's and CE's required by NEPA and CEQ regulations. Requires a standard of SUBSTANTIVE REVIEW.

NEPA: National Environmental Policy Act of 1976, Federal agencies must conduct a hard look defined as 1) "engage a substantial inquiry';" 2) "thorough, probing, in-depth review". Federal courts must make a hard-look review of the Federal Agency's hard-look analysis and its subsequent decision. Decision makers must make an Informed, Reasoned, decision.

FLPMA: Federal Land Policy & Management Act 1976, Land use plans: goals & objectives and "that MANAGEMENT be on the basis of multiple use and sustained yield". Sec 102. (a)(12): "the public lands be managed in a manner which recognizes the nation's need for domestic sources of minerals, food, timber and fiber from the public lands."

RPA: Forest and Rangeland Renewable Resources Planning Act of 1974, P.L. 93-378, 88 stat, 475, as amended; 16 USC 1601 (note), 1600-19) Sec 2. (3) to serve the national interest, the renewable resources program must be based on a comprehensive assessment of present and anticipated uses, demand for, and supply of renewable resources from the nations public and private forests and rangelands, through analysis of environmental and economic impacts, coordinate of multiple uses and sustained yield opportunities as provided for in MUSY of 1960, and public participation in the development of the program.

NFMA: National Forest Management Act of 1976: Sec.6. (e) (1) provide for multiple use and sustained yield of the products and services obtained there from in accordance with Multiple-Use, Sustained Yield Act of 1960 and in particular include coordination of outdoor recreation, range, timber, watershed, wildlife and fish, and wilderness:

(2) determine forest management systems, harvesting levels, and procedures in light of all of the uses of MUSU sec. 6 (g) 3. (f) insure that clear cutting, seed tree, shelter wood cutting, and other cuts designed to regenerate an even-aged stand of timber will be used as a cutting method on NF system lands only where
i, ii, iii, iv, v "safeguards

Figure 1: NEW MEXICO USFS TIMBER SALES BASED ON CUT AND SOLD 1976 to 2003

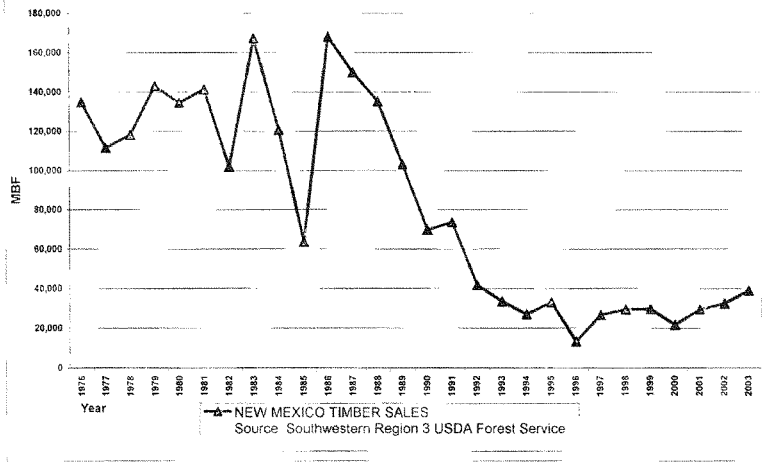


Fig. 2. GILA TIMBER SALES BASED ON CUT AND SOLD 1976 to 2003

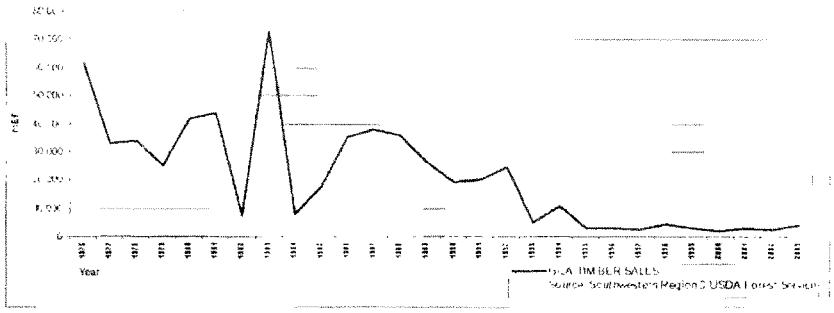


Fig. 2' LINCOLN TIMBER SALES BASED ON CUT AND SOLD 1976 to 2003

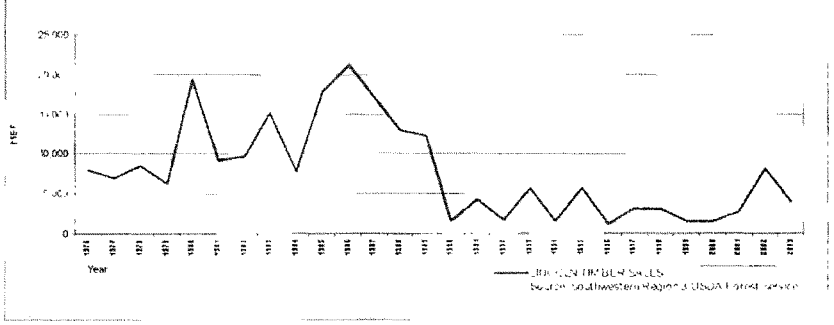


Figure 3: NEW MEXICO STATE TIMBER SALES AND FUEL BUILDUP 1986 TO 2003

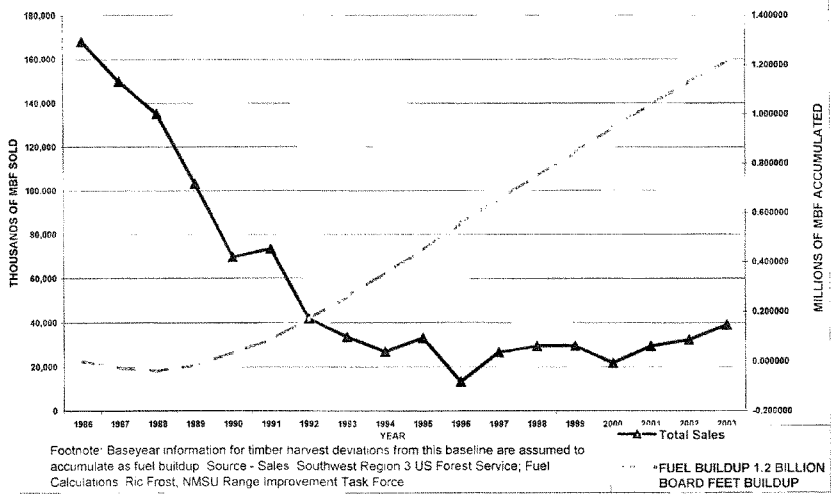


Figure 4: NEW MEXICO REGION 3 USFS FIRE HISTORY 1976 TO 2003

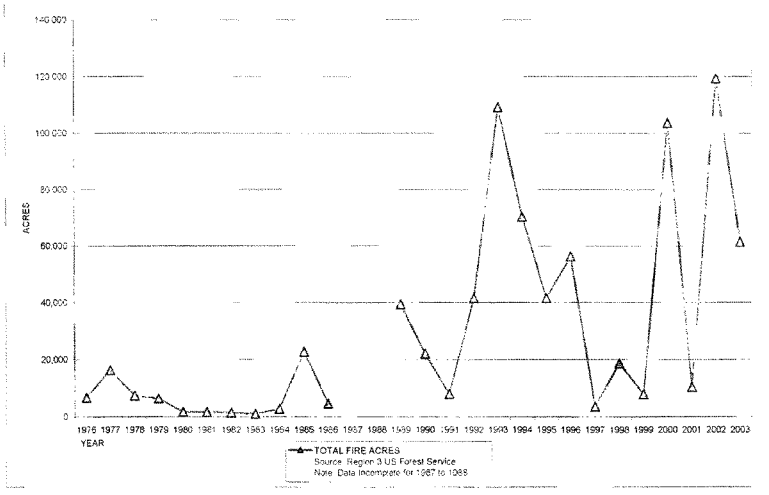


Figure 5: Gila Forest Actual Use AUMs

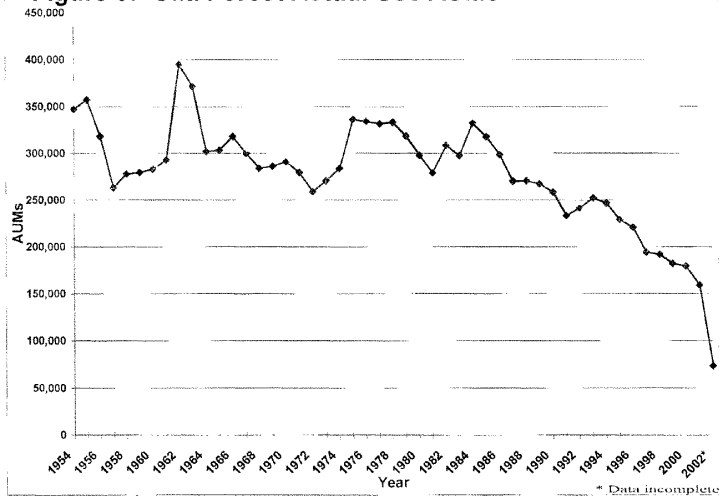
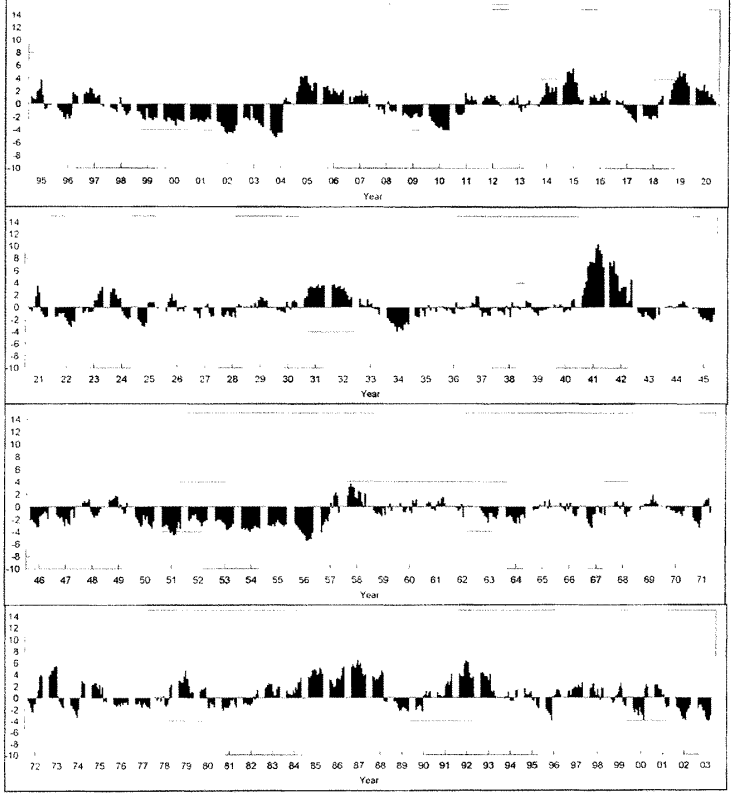


Figure 6: Palmer Drought Severity Index (PDSI)

New Mexico



Mr. PEARCE. Ms. Padilla.

STATEMENT OF THORA PADILLA, RESOURCE PROGRAM MANAGER, MESCALERO APACHE TRIBE

Ms. PADILLA. I come from the Mescalero Apache Reservation, which is located in South Central New Mexico. And I would like to say that I didn't realize it until just now that we harvest approximately 17 million board feet of timber a year on a sustained yield basis. And from what Dr. Fowler has said, that's more than half of the entire state's harvest per year on only half a million acres.

I would like to say that the Mescalero Apache Tribe supports legislation to address wildfire and forest health concerns in southwestern forest, and particularly on Tribal lands. The Mescalero Apache Tribe owns and operates the last two remaining sawmills in New Mexico, which is Mescalero Forest Products and White Sands Forest Products.

The Tribe has actively participated in and/or initiated collaborative projects with surrounding non-Indian communities for hazardous fuels reduction, wildland-urban interface, forest stand improvement and forest health protection. Specific to the Sacramento Mountains of south-central New Mexico, we also have the following concerns regarding implementation and actual policy relevant to both the National Fire Plan and Healthy Forests Act.

First of all, realistic costs need to comprehensively treat forested acres should be adequately considered in approval and implementation of projects. Conversely, the cost to thin forests will be significantly less than the financial and social costs associated with catastrophic wildfire. This is ultimately the reason the National Fire Plan was promulgated.

More funds are necessary to conduct outreach for community members, as well as facilitating communication and public relations between industry, both small and large scale, and the entities conducting small-diameter tree thinning. This will provide a means for reducing costs of treatment, allow for more slash to be removed from sites, and provide economic growth and incentives.

Second, adequate allowances need to be made for accomplishment of treatments required multi-year phases and funding. For example, follow up prescribed burning may not be implemented until years subsequent to thinning treatments. Prescribed burning is often preferable to chipping or complete removal from the site, particularly when we're dealing with large acreages and in forest environments where restoration of the historic fire regime is essential to forest health.

Funding should also allow for purchase of specialized equipment separate from the project area treatment proposals. Quite often, specialized equipment can allow for more comprehensive and successive treatments. This is applicable for communities with large areas requiring treatment and submission of multiple project proposals over longer periods of time.

In our collaborative efforts with the adjacent Lincoln National Forest, the Mescalero Apache Tribe cannot fully support or expand sawmill operations and the economic benefits to the reservation and the surrounding communities without firm projections of com-

mercial timber that will be available on an annual sustained yield basis. There needs to be the equivalent of an annual allowable cut. The lack of an annual allowable cut limits—the allowable cut limits not only Tribal economic development, but also other potential development by private entrepreneurs in surrounding communities.

Furthermore, meeting desired future conditions for southwestern forests cannot be accomplished by thinning small-diameter trees alone. Size caps must be lifted to more fully treat forests and realize true forest and watershed restoration. Commercial harvest can be conducted in a manner that provides for endangered species, cultural resource preservation, and ecological restoration goals such as the retention of large trees and/or old growth. It is not an ''all or nothing'' proposition. Support must be given to the National Forests System to prepare and properly implement commercial harvests.

With the ability to prepare and implement commercial harvests, timber appraisals must also be realistic. Due to the large volumes of small-diameter trees in southwestern forests, appraisals of harvest areas are often overinflated. The low average sale diameters do not allow enterprises to survive financially. Small-diameter trees must be deducted from the appraisal calculations to make the sales at least moderately profitable.

One of the major things I see as a problem is, the administrative policies should be more uniform and equitable across agency boundaries. And like Dr. Fowler said, they also need to have more collaboration between Federal agencies.

Last and most importantly, Tribal sovereignty must be recognized and respected in the development and implementation of all Federal policies in Indian Country. This includes the National Environmental Policy Act, the National Historic Preservation Act, and the Endangered Species Act.

Native American peoples have lived in this country without adversely affecting impacting ecosystem function and health since time immemorial. The drastic changes in vegetation and hydrologic systems we now see did not come about until the European settlement. This fact must be acknowledged and lessons learned from the native indigenous people of this great country.

Thank you.

[The prepared statement of Ms. Padilla follows:]

Statement of Thora Padilla, Program Manager, Division of Resource Management & Protection, Mescalero Apache Tribe

The Mescalero Apache Tribe supports legislation to address wildfire and forest health concerns in southwestern forests, and particularly on Tribal lands. The Mescalero Apache Tribe owns and operates the last 2 remaining sawmills in New Mexico, Mescalero Forest Products and White Sands Forest Products. The Tribe has actively participated in and/or initiated collaborative projects with surrounding non-Indian communities for hazardous fuels reduction, wildland-urban interface, forest stand improvement, and forest health protection. Specific to the Sacramento Mountains of south-central New Mexico, we have the following concerns regarding implementation and actual policy relevant to both the National Fire Plan and the Healthy Forests Act:

1. Realistic costs to comprehensively treat forested acres should be adequately considered in approval and implementation of projects. Conversely, the cost to thin forests will be significantly less than the financial and social costs associated with catastrophic wildfire. This is ultimately the reason the National Fire Plan was promulgated. More funds are necessary to conduct outreach with

community members, as well as facilitating communication and public relations between industry (small and large scale) and the entities conducting small-diameter tree thinning. This will provide a means for reducing costs of treatment, allow for more slash to be removed from sites, and provide economic growth/incentives.

2. Adequate allowances need to be made for accomplishment of treatments requiring multi-year phases and funding. For example, follow-up prescribed burning may not be implemented until years subsequent to thinning treatments. Prescribed burning is often preferable to chipping or complete removal from site, particularly when dealing with large acreages, and in forest environments where restoration of the historic fire regime is essential to forest health.
3. Funding should allow for purchase of specialized equipment separate from project area treatment proposals. Quite often, specialized equipment can allow for more comprehensive and successive treatments. This is applicable for communities with large areas requiring treatment and submission of multiple project proposals over longer periods of time.
4. In collaborative efforts with the adjacent Lincoln National Forest, the Mescalero Apache Tribe cannot fully support or expand sawmill operations and the economic benefits to reservation and surrounding communities without firm projections of commercial timber that will be available on an annual sustained yield basis. There needs to be the equivalent of an annual allowable cut (AAC). The lack of an AAC limits not only Tribal economic development, but also other potential development by private entrepreneurs in surrounding communities.
5. Furthermore, meeting desired future conditions for southwestern forests cannot be accomplished by thinning small diameter trees alone. Size caps must be lifted to more fully treat forests and realize true forest and watershed restoration. Commercial harvest can be conducted in a manner that provides for endangered species, cultural resource preservation, and ecological restoration goals, such as retention of large trees and/or old growth. It is not all "all or nothing" proposition. Support must be given to the National Forests System to prepare and properly implement commercial harvests.
6. With the ability to prepare and implement commercial harvests, timber appraisals must also be realistic. Due to the large volumes of small diameter trees in southwestern forests, appraisals of harvest areas often are inflated. The low average sale diameters do not allow enterprises to survive financially. Small diameter trees must be deducted from the appraisal calculations to make the sales at least moderately profitable.
7. Administrative policies should be more uniform and equitable across agency boundaries.
8. Lastly and most importantly, Tribal sovereignty must be recognized and respected in the development and implementation of all Federal policies in Indian Country. This includes the National Environmental Policy Act, the National Historic Preservation Act, and the Endangered Species Act. Native American peoples have lived in this country without adversely impacting ecosystem function and health since time immemorial. The drastic changes in vegetation and hydrologic systems we now see did not come about until European settlement. This fact must be acknowledged, and lessons learned from the native and indigenous peoples of this great country.

Mr. PEARCE. Ms. Barrow.

STATEMENT OF SHERRY BARROW, PRESIDENT, SBS WOOD SHAVINGS

Ms. BARROW. Thank you. My name is Sherry Barrow. I have SBS Wood Shavings, located in Glencoe, New Mexico, in Lincoln County, adjacent—

Mr. PEARCE. Excuse me. Can you scoot up just a little bit farther?

Ms. BARROW. Is that better?

My name is Sherry Barrow. I have SBS Wood Shavings in Glencoe and Ruidoso, New Mexico. The Cree and Scott Abel fires of 2000, the Trap and Skeet fire of 2001, the Kokopelli fire and Penasco fires of 2002 and a number of other western "burners"

have brought the reality of catastrophic wildfire to the forefront of our regional public awareness.

We're located in South-central New Mexico adjacent to the Lincoln National Forest. The following is my effort to give you an overview of our business goals and objectives and our approach to date, and current constraints with regard to management and access to supplies, small-diameter timber in Southeastern New Mexico.

Sherry Barrow Strategies, SBS, Wood Shavings, has produced an innovative shaving manufacturing facility utilizing round wood derived from forest and watershed restoration efforts in the geographic region encompassing the Lincoln National Forest in Southeastern New Mexico. Our facility is leased from Lincoln County. The processing plant was built within a 9-month period. Commercial production of SBS Wood Shavings began in January of 2003.

Currently, SBS regularly ships semi-truck loads of high quality bagged, compressed, animal bedding to wholesale/retail locations in five states. SBS has also increased the plant labor force by six employees and we anticipate adding two more employees in 2004. We have 10 contracted workers cutting small-diameter trees in the forest and two truck drivers transporting to SBS Wood Shavings year-round.

SBS has been working closely with Sierra Contracting, Incorporated, or SCI, that is our local composting operation, and over the past several months we have been working to address transportation constraints. That is part of the infrastructure that you referred to formerly. We've had to build that on our side of the mountain. When I refer to "our side of the mountain" I'm talking about the Smokey Bear Ranger District. We haven't received any material from the Sacramento Ranger District in Lincoln National Forest as yet.

Now, the material is transported from treatment sites to SBS Wood Shavings' wood yard in Glencoe, New Mexico. SCI has been operating for 7 years and we have created a somewhat innovative transportation system together. We both have received funds, seed monies, in 2001 from the Four Corners Sustainable Forest Partnership and from Economic Action Program Rural Community Assistance. And we're both guaranteed that together we work to help solve this problem.

We've been operating for—they've been operating for 7 years and they recognized the strength gained from working collectively with other community partners to meet common goals. Once our product is made, SBS also contracts with trucking companies, primarily New Mexico based companies. We have a large list of trucking companies that are New Mexico based. We go through that list first before we move outside of New Mexico to transport the finished product to wholesale/retail locations within a five-state area.

At this time SBS is using an estimated 337,000 pounds, or 75 cords, of green round wood per week. That would that adds up to 3900 cords, or 17,550,000 pounds of green wood per year, with a potential to double the usage in the next year, 2004.

We estimate that acquisition of 3900 cords will require 1300 accessible acres. That's an average. SBS has utilized small green diameter material from the following sources: Lincoln National Forest-Smokey Bear Ranger District, New Mexico State Land—

Trust Land on Moon Mountain. Many private landowners—largely those projects were funded by WUI dollars through New Mexico Forestry Division, Fire—National Fire Plan funds where a private landowner who does thinning according to the treatment, as prescribed by the Forestry Division Timber Management Officer, he is reimbursed for 70 percent of the funds he has expended to treat the land.

Those are priority-defined areas within the wild improvement interface, and the priority areas have been defined by a collaborative group called the Ruidoso Wild Land Urban Interface Group, of which Thora and the Mescalero Apache Tribe, BIA, and many other members, sit and define those areas that are most threatened by the potential of catastrophic wildfire.

We also have received some—we haven't received it, we've gone to pick up material from municipal lands in our area. And that's the numbers that I have for you right now.

With regard to renewable energy, we thin it and we meet the situation at SBS Wood Shavings. We actually co-generate thermal heat to dry our product with the wood waste that is created from our process. And we also have a wood chip gasifying generator where we can create electricity that lights our facility.

At Sherry Barrow Strategies we're supportive of these technologies if appropriate economy of sale is observed. We choose to incorporate both thermal heat and electricity generated from wood at SBS Wood Shavings.

As far as thermal, the innovative shaving process at SBS Wood Shavings includes a 12,000,000 Btu sawdust-fired burner utilizing the sawdust created in processing to co-generate thermal heat. Let's see. That thermal heat is then used to dry the wood shavings product before packaging. The burner/dryer system was funded, in part, small part, by a grant in 2001 from the Collaborative Forest Restoration Program.

Regarding electricity: Sherry Barrow Strategies restoration wood processing facility in Glencoe was ranked first of six locations chosen nationwide to participate in a Small-Scale Modular Biomass Power System demonstration using gasification of wood chips, cosponsored by the U.S. Department of Energy through the National Renewable Energy Lab in Littleton, Colorado, and the USDA Forest Service, Forest Products Laboratory in Madison, Wisconsin. It was rolled out to us in October of 2002.

The small modular biomass unit is currently producing electricity in our plant. It is small; it's 20 kw, so it's a very small unit.

Due to the threat of catastrophic wildfire in the urban interface, the USDA Forest Service and the Lincoln National Forest identified the need for thinning one-third of the 200,000 hundred thousand acres in the Sacramento Ranger District and 70,000 acres in the Smokey Bear Ranger District.

Forest Service figures show the Lincoln National Forest growing an average 30 to 40 million board feet per year. This goes into a lot of detail about loss, insects, and that sort of thing. But they estimated that 2500 to 3500 acres per year will be made available for pre-commercial thinning.

Restoration wood from small-diameter treatments would be made available for wood utilization. Now that reference will be fully

packaged in the account of the forest initiative, and we expect that there will be—we believe there will be dramatic modifications in those numbers upward because of the stewardship contracting authority.

New Mexico State Forestry has identified 1500 acres; Ruidoso has some acreage, and at this time I want to talk about some constraints, if time permits.

This work is not for the faint at heart. We are building a foundation for long-term sustainable forest management and no one entity can do it alone. Our panel may overhear—Dr. Fowler has talked about trust and the need for that. We have to have all stakeholders at the table. In the beginning our collaborative community groups—there were some guarded attempts to form relationships.

Some fell apart and regrouped and others backed away from what they believed was destined to fail. We have to build tolerance, then establish a dialog, identify our common ground, and then work collectively toward those goals. We have been doing that in our area.

It can be done. We're not just talking. We haven't accepted grant money and not done anything, we are producing together. It takes everybody, and we are interdependent at this time. We are still working together within our zone of agreement.

My experience with the Forest Service, Bureau of Land Management, Bureau of Indian Affairs, and New Mexico State Land Trust and the New Mexico Forestry Division staff has been extremely positive. And we are making solid progress toward our goals. But we will not leave the table; we work together. We solve problems. It's a relationship and we have a long-term interdependent relationship. We recognize that where I am. I recognize that the landscape changes relationally across the West, just as our lands do. The dynamics are very different.

With regard to access to small-diameter trees, I see several opportunities; better management practices, more effective contracting instruments, new low-impact cost effective forestry equipment to which they're referred, equipment capable of accessing areas previously deemed inaccessible in our region, and a heightened public awareness resulting in strong support for fuel reduction in the WUI lands and watersheds.

In addition to traditional products, the use of biomass and other waste as a renewable energy is long overdue. There are plans for building everything from 5kw to 35 megawatt power plants, to wood chip retrofitted community boiler systems. We must address the need in rural communities for economic diversity and appropriate scale. As for biomass power plants, SBS believes that one-half to 1 megawatt plants, in some cases and in certain areas 5 megawatt plants, strategically located near the wood supply and an end-user seem much more reasonable than large scale through plant.

While we believe in sustainable communities, we are concerned that the desire to reduce forest fuel loading could result in a push for a "quick fix" solution. I do not want to see small business diversity left out of the "mix" by the creation of an over-scaled biomass facility, nor do I want unnecessary tree cutting to feed a business under the guise of restoration. Huge power plants are expensive to

build and expensive to maintain. Infrastructure to deliver power is expensive, can be invasive, and, finally, who will buy the power? And, will the power be purchased at a rate that will pay for the investment?

When faced with the choice—and we're using both thermal and electric heat generated from wood at our facility—I see thermal heat generation as less risky to communities, right now, and less expensive to incorporate into existing infrastructure.

Again, I urge caution and vigilant attention to the selection of appropriately scaled endeavors. Whatever solutions are realized, an environmentally—an environmentally sensitive, diverse economy driven by healthy forests is Sherry Barrow Strategies answer for sustainable rural communities.

Thank you again for your diligence. I hope you find this information of interest. And I will be pleased to take any questions.

Mr. PEARCE. Thank you very much.

[The prepared statement of Ms. Barrow follows:]

Statement of Sherry Barrow, Owner, Sherry Barrow Strategies, SBS Wood Shavings

The following is my effort to give you an overview of our business goals and objectives, our progress to date, and current constraints with regard to Management & Access to Supply of small diameter timber in Southeastern New Mexico.

SBS business goals are to:

1) Produce wood shavings bedding (SBS Wood Shavings) using small-diameter trees from forest and watershed restoration efforts, utilizing byproducts to co-generate thermal/electrical energy used in the process;
2) Identify developing and emerging markets for wood waste products;
3) Market, produce, and sell identified value-added products and byproducts to sustain regional economic development; and
4) Empower community partners in the establishment of sustainable rural economic development by providing access to successful wood waste utilization and value-added biomass models.

Federal Funding History

Source (s)	Year Issued	$Amount	Duration
NM-EMNRD Four Corners Sustainable Forests Partnership	2001	$ 80,000	June 2001-June 2002
Rural Community Assistance Economic Action Program	2001	$250,000	July 2001-July 2002
Collaborative Forest Restoration Program	2001	$ 74,250	Oct. 2001-Oct. 2002
NM-EMNRD Four Corners Sustainable Forests Partnership	2002	$ 58,000	May 2002-May 2003
Rural Community Assistance Rural Development	2002	$ 85,000	July 2002-July 2003

Ruidoso Wild Land Urban Interface Group (RWUIG). RWUIG is a collaborative problem-solving body (LNF, Mescalero Apache Tribe, BIA, BLM, Lincoln County, NM State Land Office, Ruidoso Downs, NM State Forestry, Ruidoso, wood utilization businesses, community groups and other interested entities) empowered to address the health, safety, welfare and economic security of communities at risk of wild fire in the urban interface, while respecting the natural interdependence of our ecosystem.

Progress to date:

Sherry Barrow Strategies (SBS)
SBS Wood Shavings

The processing plant was built within nine months and production of SBS Wood Shavings began in January of 2003.

At this time, SBS is using an estimated 337,500 pounds (75 cords) of green round wood per week or 17,550,000 pounds (3900 cords) per year—with the potential to double usage in the next year (2004). SBS estimates that acquisition of 3900 cords will require 1300 accessible acres per year. SBS has utilized green, small-diameter material from the following sources: LNF-Smokey Bear Ranger District, N.M. State Trust Land-Moon Mtn., Private landowners—largely projects funded by the WUI dollars through NM-EMNRD Forestry Division, and Municipal Lands-Village of Ruidoso and the Village of Ruidoso Downs.

Renewable Energy: Co-Generation of thermal heat and electricity: At Sherry Barrow Strategies we are supportive of these technologies, if appropriate economy of scale is observed. We choose to incorporate both thermal heat and electricity generated from wood at SBS Wood Shavings. First:

Thermal: The innovative shaving process at SBS Wood Shavings includes a sawdust fired burner utilizing the sawdust created in processing to co-generate thermal heat. That thermal heat is then used to dry the wood shavings product before packaging. The burner/dryer system was funded, in part, by a grant (2001) from the Collaborative Forest Restoration Program; Now,

Electricity: Sherry Barrow Strategies restoration wood processing facility in Glencoe (formerly the Glencoe Rural Events Center and Joe Skeen Arena) was ranked first of six locations chosen nationwide to participate in a Small-Scale Modular Biomass Power System demonstration project utilizing gasification of wood chips, cosponsored by the U.S. Department of Energy (DOE) through the National Renewable Energy Lab (NREL) in Littleton, Connecticut, and the USDA Forest Service, Forest Products Laboratory (FPL), Madison, Wisconsin. The unit was rolled out in late 2002.

The small, modular biomass unit processes wood chips from fuel reduction projects creating electricity and thermal heat for the SBS facility in Glencoe, New Mexico. If you have questions about the program or the reasons for our #1 ranking, you may contact Sue LeVan-Green at the Forest Products Laboratory—Program Mgr., S&PF Technology Marketing Unit. Her contact information is: slevan@fs.fed.us or you may phone her at (608) 231-9518.

As for the economic impact of grants to forest-based industry, please see the January 2003 report prepared by the USDA Forest Service Inventory & Monitoring Institute for the New Mexico EMNRD titled: The Southwest Region's forest-based Community Economic Development Grant Program: Economic Effects in the Apache Sitgreaves and Lincoln Working Circles.

LOCAL SUPPLY/ACCESS TO SMALL DIAMETER WOOD

USDA Forest Service-LNF has identified a need for thinning one-third of the 200,000 acres in the Sacramento Ranger District and the 70,000 acres in the Smokey Bear Ranger District. Forest Service figures show the Lincoln National Forest (LNF) growing an average of 30 to 40 million board feet per year with a loss on average of 7 million board feet to insects. These figures do not include the potential for loss from fire and other catastrophic events. (Reference: Dennis Watson, Timber Management Officer, LNF.) In accordance with current funding plans, LNF estimates 2500 to 3500 acres per year will be made available for pre-commercial thinning. Restoration wood from small diameter treatments will be made available for wood utilization. (Reference: Brian Power, Aviation and Fire Officer—LNF.) In light of the Healthy Forests Initiative, SBS expects some modification of these plans may occur.

New Mexico State Forestry—Capitan District has received National Fire Plan WUI funds for fuel reduction treatment (small diameter) on private lands. The Capitan District Forester has identified approximately 1500 acres for fuels reduction treatments in priority areas within the wild land urban interface, and the work is now under way.

The Village of Ruidoso—The Village has implemented a low-intensity thinning project in the Grindstone Lake recreation area. In the summer of 2002, the Village of Ruidoso began a 438-acre restoration project adjacent to the 3,000 acre LNF—Smokey Bear Ranger District "Eagle Creek" project. The "Eagle Creek" project has received federal funding from Collaborative Forest Restoration Program.

On the Village's 438-acre project, an estimated 60 yards per acre of woody biomass (under 5" dbh) and approximately 3 cords per acre of round wood (5" to 12" dbh) were slated for removal over a two-year period. The Cree and Scott Abel fires of 2000, the Trap & Skeet Fire of 2001, the Kokopelli, 5/2 fire and Penasco fires of 2002 and a number of Western fires have brought the potential for catastrophic wildfire to the forefront of regional public awareness.

New Mexico State Trust Lands
Bureau of Land Management
Bureau of Indian Affairs
Resources
Forest Products Laboratory
Forest Operations Laboratory (FOL) in Auburn Alabama

Those of us working toward solutions in reducing the threat of catastrophic wildfire by building service capacity and rural economic development through wood utilization businesses need the expertise and resources provided by both Labs.

Energy Minerals and Natural Resources Department-Forestry Division Four Corners Sustainable Forests Partnership (FCSFP): The Partnership quickly became our "clearinghouse" for growth and development resources and mentoring. Early on, Kim Kostelnik-FCSFP Program Manager, provided a simple flow-chart which helped us to understand the time frame for the paperwork, and shared resources like the Forest Products Lab and Forest Operations Lab, and other small diameter entrepreneurs as well. EMNRD-Forestry Division, which is a member of Four Corners Sustainable Forests Partnership, has provided countless hours of resource information, contacts, problem solving, federal funding, access to mentors and encouragement through the partnership. The Four Corners Sustainable Forests Partnership is "sun-setting" this year. We believe the State of New Mexico through EMNRD-Forestry Division needs the federal funding to continue, in some fashion, even if the program provides leadership and resources under a different umbrella.

Collaborative Forest Restoration Program: The 2001 Technical Advisory Panel deliberation process was open to the public. Observing the deliberation process was a valuable educational experience. It was a rare opportunity to learn about diverse perspectives on forest restoration. The panelists have become resource conduits for our work. We now have a number of "go-to" resource people in different areas across the country. The SW Center for Biological Diversity's Todd Schulke (panel member) has become a valuable contact for our environmental concerns. Our involvement with CFRP convinced us that, even though we don't have any involvement with the treatment itself, we bear a responsibility for the treatment side of the small diameter trees we utilize.

CONSTRAINTS

In order to facilitate sustainable rural economic development, forest health, and complete the "stump to consumer" cycle, community partners must have tools to build infrastructure and successful systems. A collaborative effort toward building service capacity, including technical assistance and training for environmentally sensitive equipment and appropriate small diameter handling systems is the next step toward long-term sustainability. The Lincoln National Forest has demonstrated a willingness to explore all available contracting options including Stewardship contracts in order to meet management objectives.

Recent federal funding has planted the seeds for emerging small diameter wood businesses. If federal funding could be appropriated just until the infrastructure and systems are in place, SBS believes our community will establish sustainable forestry-based businesses suitable for replication in other western states.

My experience with FS, BLM, BIA, New Mexico State Trust, and NM Forestry Division staff has been extremely positive and we are making solid progress toward our goals. In the LNF area, we also have the ever-present threat of wild fire. Our entire community acknowledges the danger, and we are working together toward forest and watershed restoration.

Currently SBS is moving away from handling small diameter trees too many times with inappropriate equipment and systems. The results are encouraging. Still, transportation cost of the small diameter trees (5"-9"dbh) from the prescribed treatment site to a utilization site remains a regional constraint. We had hopes for some relief with the transportation $20 per green ton credit included in recent legislation. If available, it could double the range available to transport small diameter wood. SBS is a regional small diameter processing facility with an established, stable year-round outlet for green small diameter timber.

Access to Supply of Small Diameter Trees

With regard to access to supply of small diameter trees, I see several promising options:

Better Management Practices;
Contracting;
New Low-impact cost effective equipment; and
Equipment capable of accessing areas previously deemed inaccessible in our area.

Opportunities for Wood Waste Utilization

Biomass Energy is long overdue. There are plans for building everything from 5kw to 25megawatt power plants to chip-retrofitted community boiler systems.

Caution is urged.

Mr. PEARCE. Ms. McCarthy.

STATEMENT OF LAURA FALK McCARTHY, FOREST PROTECTION PROGRAM DIRECTOR, FOREST TRUST

Ms. MCCARTHY. Thank you for the opportunity to testify. I was a Forest Service firefighter/forester and NEPA planner for five years. For seven years I have directed planners, regional conservation organization. The Healthy Forest Restoration Act has now been signed into law. It gives us a National Fuel Reduction policy, but it is not a restoration policy. My testimony is about six key management issues related to the implementation of Healthy Forest Restoration Act.

First, managers who design and implement fuels reduction need to remain aware of the shallow foundation of research that is available to guide their treatments. The Forest Trust has reviewed the science behind fuels reduction treatments and found limited research support for the idea that they will reduce fire risk. We also found evidence that thinning reduces fuels.

But the research does not tell us whether reducing tree density will change catastrophic fire behavior, which is the outcome we are seeking. Therefore, managers should use the healthy forest initiatives fuel reduction authorities to test specific combinations of thinning and prescribed fire treatments through research, experimentation and adaptive management. Then we will be able to determine which treatments are effective, as our implementation proceeds, and to identify and cease ineffective practices.

Second, the Healthy Forest Restoration Act requires managers to measure their progress at reducing the national fire risk by reporting condition class before and after treatment. This measurement system is promising because it is science based, but also frought with peril. A locally accurate version of condition class called land fire is under development but was only partially funded in the 2004 budget.

In the meantime land managers are being trained to take fuel measurements to report the condition class of acres they have treated in 2003. But there has not been sufficient funding for this activity and the managers are under pressure to use the system immediately. If managers cut corners they will generate unreliable measurements and the Land Management Agency will be a accused of evading accountability.

Third. A regular program of prescribed burning and wildfire use, coupled with occasional thinning is needed to maintain fuel levels at normal levels. The Federal Land Management Agencies have not previously demonstrated that they have reliable systems for scheduling return visits to keep new fuels from accumulating.

The Healthy Forest Act, Restoration Act, suggests, but does not require, that the agencies develop systems to track and schedule maintenance treatments for areas where fuels have been reduced. This staff is essential if we are to protect the public investment in

fuels reduction and to contain fire suppression costs over the long run.

Fourth. Southwestern forest management is complicated by the interaction of wildfire, drought and insects. Unfortunately, the science about bark beetles and wildfire is even less developed than research about the effects of thinning. The Healthy Forest Restoration Act authorizes categorical exclusions for 1,000-acre research project that will treat areas infested with insects or adjacent to infestation. The emphasis in this authority is research, yet so far it is an unfunded program and the mechanisms for cooperation between research scientists and managers has not yet been determined.

The emphasis in this research must be used to test three hypotheses that are as of yet unproven. First, that treatment slows the threat of insects. Second, that treatments change the behavior of subsequent fires. And third, that economic value is preserved by removing wood before the infestation progresses.

My fifth point is the grazing, firewood cutting and hunting are mainstays of many New Mexico family incomes. From this reliance on the land comes the desire to work in the woods and a desire for employment restoring forest health.

The Healthy Forest Restoration Act includes incentives for forest industry to invest in value-added products made from wood removed in those treatments. But these incentives are not aimed at the local work force in New Mexico.

The forest produces work in forest-based economic development for the last 15 years. We have identified a host of barriers to keep small businesses from succeeding. These barriers are wide-ranging and some do not fall under the Land Management Agency's jurisdiction, such as the high cost of workers' compensation insurance for New Mexico thinning companies.

But other areas, such as the structure, size and timing of contracts, have a direct bearing on whether local contractors can offer competitive bids. Federal Land Management Agencies in the Pacific Northwest have made tremendous progress in their ability to create a restoration economy that creates local employment opportunities.

These lessons should be applied in the Southwest so that local workers may benefit as fuels are used. By 2005 we will probably see significant new funds appropriated for fuels reduction. So we have 1 year to seek and implement solutions to the barriers that inhibit small businesses and local employment. A systematic effort to recognize barriers, build local business capacity and prepare for upcoming contracts will make New Mexico's workers part of the solution for restoring our regions' forests.

And finally, I'm concerned that the Healthy Forest Restoration Act will create more gridlock, not less, because of the erosion of public rights for input. In New Mexico the communities have been negotiating with the Forest Service for 2 years over fuel reduction in the community protection zone. The community already lost half of its forest to a fire in 1996. They care deeply about the rest. And the NEPA process has kept the dialog going. They still do not have a solution, and if dialog stops they will end up in court.

In another New Mexico community, a land grant defendant who is out of thinning work because of a frivolous environmental appeal, told me that NEPA had made such a difference to his community's ability to influence agency decisions that he didn't support giving up the community voice just to silence a few appeals.

So, I'll close by saying that I really hope that the dire predictions about the Healthy Forest Restoration Act that have come from a lot of environmental groups don't come true, but if they do, please provide us with a process to go back and face it.

Mr. PEARCE. Thank you.

[The prepared statement of Ms. McCarthy follows:]

Statement of Laura Falk McCarthy, Forest Protection Program Director, Forest Trust, New Mexico

Thank you for the opportunity to testify today. I have twelve years experience working for the U.S. Forest Service as a firefighter and a NEPA planner. I am now the Forest Protection Program Director at the Forest Trust in New Mexico. The mission of the Forest Trust is to protect the integrity of forest ecosystems and improve the livelihoods of rural people. The Trust operates several programs that include a research center, technical assistance to forest-dependent communities, and consulting forestry on private lands. We have first-hand experience with the management challenges facing Southwestern forests.

The Healthy Forests Restoration Act has been signed into law, and we will soon find out what impacts the law has on forests, wildfires, and forest-dependent communities. The Act gives us a national fuels reduction policy, but it does not provide a national restoration policy, that employs a full suite of restoration tools. In my testimony I will describe five key management issues. These are: (1) the use of research to inform forest management; (2) federal land manager accountability for hazardous fuel reduction treatments; (3) maintaining low fuel loads in forest areas that have been treated; (4) managing in the face of extended drought and insect infestations; and (5) better utilizing the local workforce to carry out fuel reduction treatments.

Forest Management Must Be Informed by Research

Federal land management agencies are poised to make significant increases in their fuels reduction programs now that the Healthy Forests Restoration Act is law. Entering into this new phase of widespread forest treatments, managers need to remain cognizant of the fact the treatments are based on a relatively shallow foundation of research. The Forest Trust has examined more than 250 research papers about hazardous fuels reduction treatments—including prescribed fire, mechanical thinning, a combination of thinning and fire, and commercial logging. We undertook this literature review so that we could describe the scientific underpinnings of the hypothesis that fuel reduction treatments will modify fire behavior in overstocked forests. Our primary findings were:

1. The current research is, in general, inconclusive with respect to the effectiveness of mechanical thinning in changing wildfire behavior. This is because study methods and research results vary greatly. Only one quantitative empirical study was completed as of early 2003;
2. The effectiveness of prescribed burning in changing post-treatment wildfire behavior is clearly demonstrated in many studies;
3. The limited number of studies that investigated the effectiveness of thinning and prescribed burning in combination produced equivocal results. More research is needed before firm conclusions can be reached; and
4. We found no published scientific research on the positive effects of commercial logging on post-treatment fire behavior.

These and other findings from the literature review led us to conclude that a significant investment is needed in basic and applied research to provide a credible scientific basis for the design, implementation, and evaluation of alternative treatment methods. A survey we conducted of fuels reduction prescriptions used in southwestern forests revealed that most foresters focus on reducing tree density. However, the scientific literature indicates that tree density is only one of several factors affecting fire behavior. The distance from the ground to the base of the tree crown, and the amount and arrangement of surface vegetation and dead woody material, also play important roles. As more is learned about how these factors alter fire behavior, forest managers will need to adapt their treatments.

Our survey also found many excellent prescriptions from projects in places like Flagstaff, Arizona, where the Ecological Restoration Institute is located. Yet, most public lands do not double as research forests, and most managers are not scientists and do not have experience applying research results to management. The simplicity and lack of variety in the prescriptions that managers use, coupled with the tenuous scientific support for tree density as a factor that significantly influences fire behavior, is therefore cause for concern.

What this Means for Forest Management: The current situation is that we have inconclusive evidence that thinning alone will reduce fire risk, but a new law that will expedite fuels treatments. Under these circumstances, forest managers should use the new authority to test specific combinations of thinning and prescribed fire treatments through rigorous experimentation that develops site—and weather-specific data. We need to require that managers integrate research, experimentation, and adaptive management into our national fuels reduction program. Only by doing so will we be able to determine which fuel treatments are effective and where they should be employed, and to identify, and cease, ineffective practices.

Accountability of Federal Land Management Agencies

"Fire regime condition class" is a scientific classification system that is written into the Healthy Forests Restoration Act as the method for agencies to demonstrate changes in forest health as a result of fuels treatments. Fire regime condition class was developed by the Forest Service, Rocky Mountain Research Station, for the purpose of "providing national-level data on the current condition of fuel and vegetation," such as summaries of the total acres at risk of wildfire. The scientists who developed the national-scale data did not expect the system to be used to measure agency accountability. But the GAO, and many others, have continually criticized the federal land management agencies for their lack of accountability, and condition class has now been codified as the system for measuring changes in forest ecosystems.

Most non-scientists do not understand what fire regime condition class is. Simply put, condition class is a relative ranking of the departure from normal fire cycles. A ranking of "3" means the unit under consideration has missed two or more natural cycles of fire, and implies that, in the absence of fire, fuels may have accumulated to dangerous levels.

The Healthy Forests Restoration Act will have managers measure their progress at reducing the national fire risk by reporting condition class before and after treatment. This measurement system is promising, because it is science-based, but is also fraught with peril.

The scientists who developed condition class created a national data set that is accurate at the scale of the nation, and inaccurate when examined at the scale of a state or land management unit. A more detailed and locally accurate version of condition class, called LandFire, is under development. But LandFire was only partially funded in the FY2004 budget. As a result, its development will be delayed and land managers won't be able to use LandFire for at least three or four years.

In the meantime, land managers have to report the condition class of acres treated in 2003, both before and after. A team of agency scientists is rushing around the country training managers to measure condition class. Condition class assessment follows a scientific method, but the method is time-consuming and is not generally recognized by managers as valuable. The push to use science-based condition class measures is highlighting a fundamental clash of cultures between scientists, on the one hand, who are thorough and precise in their measurements, and managers, on the other hand, who are not receiving enough funding to perform the condition class assessment, but are required to get the classification done before applying their forest treatments.

What this Means for Forest Management: Managers facing time and budget constraints will be tempted to cut corners on their condition class measurements. But the scientists who developed condition class have already learned that shortcuts produce unreliable measurements. As soon as enough measurements have been taken to generate reports of accountability, the bad numbers will be apparent. Yet, if erroneous condition class measurements appear, the land management agencies will once again be accused of evading accountability. Careful steps now to ensure the reliability of field-level condition class assessments, will help the nation by laying a foundation for future measurement of progress.

Maintaining Low Fuel Loads in Treated Forests

Scientists estimate that 15 years after Southwestern ponderosa pine forests are thinned, new forest growth will bring the fuels right back to the pre-thinned level. The implications for management are that a regular program of prescribed burning

and wildfire use, coupled with thinning in some instances, is needed to maintain fuel loads at normal levels. However, the federal land management agencies have not previously demonstrated that they have reliable systems for scheduling return visits to keep new fuels from accumulating.

What this Means for Forest Management: The monitoring section of the Healthy Forests Restoration Act suggests, but does not require, that the agencies develop systems to track and schedule maintenance treatments for areas where fuels have been reduced. This step is essential if we are to get the most out of the public investment in fuels reduction and to contain fire suppression costs over the long run. If federal managers do not figure out how to track, schedule and fund these maintenance treatments, then forest conditions will decline again in another 50 years.

Management of Insect Infestations and Wildfire Risks

Southwestern forest management is complicated by the interaction of wildfire, drought and insects. Some scientists believe we are entering an extended cycle of drought. Beetle populations have reached epidemic proportions, a normal occurrence during natural cycles of drought. The current beetle epidemic is exacerbated by past management—the same practices that increased the risk of catastrophic wildfire.

As with thinning, managers need to use the best information available to them. Unfortunately, we know even less about beetle-wildfire interactions than we do about the effects of thinning on fire behavior. The correlation between beetle-kill and increased fire risk is not well quantified in the scientific literature, and the results of recent studies are equivocal. For example, a 2003 study in the journal Ecology noted that little quantitative research has been conducted to test the hypothesis that insect-killed trees increases fire risk. The study looked at subalpine forests in Colorado and produced results that "do not support the long-standing notion that insect-caused mortality increases fire risk." The study found no increase in the number of wildfire ignitions, but did not look at increases in fire severity because of the difficulty of controlling experimental variables such as weather.

Wildfire behavior in forests that have sustained insect-killed trees is also not well understood. For example, experienced foresters in the Southwest concur that the fire risk in insect-killed pinon pine trees decreases in 2-3 years, as soon as the needles have dropped, a phenomenon that is also true for Englemann spruce. In contrast, insect-killed ponderosa pine trees become more flammable, because the insects stimulate pitch to concentrate in the tree boles and flammability remains high until the pitch decomposes. The differences in fire behavior of various tree species affected by insect mortality are not well quantified. Forest managers need this information to know when and how to develop treatment plans and to anticipate areas of higher fire risk after insect outbreaks.

Field experience also tells us that thinning to reduce fuel loads could inadvertently spread bark beetles in areas with live trees. Thinning, to foresters, means the cutting of live trees to reduce forest density and to increase the resilience of the remaining forest. Thinning generates substantial slash, and the attraction of bark beetles to slash is well documented. The timing of thinning and the treatment of slash during a beetle epidemic are critical. As a result, most federal managers have added controls on the timing of slash disposal to their contracts and prohibiting thinning during the insect breeding season.

What this Means for Forest Management: The Healthy Forests Restoration Act authorizes categorical exclusions for 1,000 acre research projects that will treat areas that are infested with insects or that are adjacent to infestations. The emphasis in this authority is research; yet it is, so far, an unfunded program and the mechanism for cooperation between research scientists and managers has not been determined. The emphasis in this research must be used to test three hypotheses that are, as yet, unproven: first, that the treatments slowed the spread of insects; second, that the treatments changed the behavior of subsequent fires; and third, that economic value was preserved by removing the wood before the infestation progressed further.

Forest Management Provides Economic Opportunities in Rural Communities

New Mexico is a rural state where subsistence incomes that use products from the forest are common. Grazing, firewood cutting, and hunting are mainstays of many New Mexico family incomes. From this reliance on the land comes a desire to work in the woods, and a desire for direct involvement and employment restoring forest health.

The Healthy Forests Restoration Act includes incentives for forest industry to invest in value-added products made from the by-products of fuels reduction treatments. But these incentives are not aimed at the local workforce in New Mexico. The Forest Trust has worked in forest-based economic development for the last 15

years, and we have identified a host of barriers that keep small businesses from succeeding in the forestry sector. To address the needs of our local workforce, we need to break those barriers apart. We need forest managers to understand the needs and capacities of our workforce, and to become partners in enabling successful small businesses.

The responsibilities of federal land management agencies are not clear. On the one hand, the Small Business Administration provides authorities and programs to benefit minority-owned businesses, and the National Fire Plan echoes these authorities with directions to use local workers wherever possible to accomplish fuels treatments. On the other hand, the Administration is promoting competitive outsourcing and the use of large, national contracts to reduce administrative costs. These conflicting mandates, and the lack of clarity in agency policy, hurts New Mexicans—who have more to gain from small business development, but face overwhelming obstacles.

The barriers to small businesses that employ local workers are wide-ranging, and some do not fall under the jurisdiction of the land management agencies. For example, worker's compensation insurance rates in New Mexico for thinning are extremely high. Contractors pay more for worker's compensation insurance than they do for labor. Therefore, contractors from other states, where worker's compensation rates for thinning are lower, can easily underbid New Mexico businesses.

Other barriers to employing local workers can be specifically addressed by the agencies. For example, the structure, size, and timing of contracts have a direct bearing on whether local contractors can offer competitive bids. Consider, for example, a project of 3,000 acres. If the work is offered in one solicitation that requires the treatment to be completed in 3 months, then only large contractors with equipment and crews to treat 1,000 acres a month will bid. Even if local workers are hired, after three months they will be unemployed. Alternatively, the treatment period could be extended, allowing a local crew of 8 people to be fully employed for 18 months, or several smaller, short-duration contracts could be issued, allowing small contractors to bid.

Federal land management agencies in the Pacific Northwest have made tremendous progress in their ability to offer restoration projects that create local employment opportunities. The controversies over the Northwest Forest Plan forced the agencies to examine their contracting authorities and to use them to put displaced loggers back to work in the woods. The lessons learned there can be applied to the Southwest so that local workers can benefit from the tremendous restoration effort that lies ahead.

What this Means for Forest Management: It is probably too late for the FY2004 budget to include funding for fuels reduction that is much more than the funding received in FY2003, but by FY2005, we may see significant funding appropriated, as authorized by the Healthy Forests Restoration Act. Thus, the agencies and rural development enterprises will have one year to seek and implement solutions to the barriers that inhibit small businesses and local employment. A systematic effort to recognize barriers, build local business capacity, and prepare for upcoming contracts, will make New Mexico's workers part of the solution for restoring our region's forests.

Mr. PEARCE. I appreciate each one of you and the testimony that you have given.

Dr. Fowler, as you talked about the moisture that we're finding now, and then looking back historically at the moisture, I recall testimony given to us four, five years ago in the state legislature which actually described the same things, that New Mexico historically, in 2000-year picture of moisture, has had droughts that extend two and 400 years in length. That's—we are living right now, our lives have been lived in a very wet, wet time historically, that we may not even know what drought may look like. I appreciate your reminder to that.

I've got questions for each of you. We have a requirement to finish right on time so we will simply get as far as we can.

I think, Ms. Padilla, you heard Ms. McCarthy testify that there was no, really no evidence of suggested that the thinning programs actually work. Yet, your forest, wasn't there a fire that was burn-

ing, a large fire burning right up to the edge of your forest, and when it got to the thinned area, didn't that fire drop to the ground out of the caps of the trees? Can you go into just a little bit of that observation that you all have?

Ms. PADILLA. We have seen that happen with several fires. Trap and Skeet was one that happened in 2000. 1996 we had the Chino wildfire. That one was burning through unthinned areas. We had people that had not wanted the housing area that was overrun with fire, had not wanted logging or thinning to be done adjacent to their homes. And that fire burned right through the crowns over the homes. And we were able to save those homes, we didn't lose any homes. It did drop down to the ground when it got into some of our logged and thinned areas.

So the thing, the problem I see is that I think in some ways I do agree with Ms. McCarthy that we do need more monitoring. I think there are places where you have—we have seen that it is effective but nobody else knows about it but us, you know. And there is no funding, or I'm not very much available to monitor those sorts of things and provide hard data for people and prove it, you know, to show that the science does work, that there is some science behind it.

Mr. PEARCE. Thank you.

Ms. McCarthy, you have heard the testimony from Dr. Fowler that said that we need to responsibly harvest. And then you also heard Ms. Padilla's testimony that harvesting should not just be the small diameters, that in her opinion, and the opinion of the Tribe, that harvesting would leave a certain, a drain to all trees besides being an indicator of age. What is your opinion in the groups that you represent here?

Ms. MCCARTHY. My organization is an organization of foresters and so I would agree with both of them. We believe in harvesting trees of all sizes. My point about the research is not that there is no research but that there is very limited, surprisingly limited, published scientific literature on the topic. And through the Joint Fire Sciences Program, a lot of money is being invested in research. And, you know, five years from now we'll have a lot more scientific evidence, and that should be used by managers.

So my point was that we have the Healthy Forest Restoration Act. We're going to get money into the National Forest and other public lands, we need to make sure that we are learning from the research as we go along and doing course corrections. Because the vision we have today is going to be altered by what we learn through science five years from now.

Mr. PEARCE. Dr. Fowler, you, again you've heard the testimony and the concerns of Ms. McCarthy that we do the thinning in here but maybe, in this new bill, but maybe haven't spent enough time and energy on the bill talking about restoration. Have you observed the bill closely enough to make a comment about that? Is that a concern that you find also?

Dr. FOWLER. Congressman, I would first like to address your first question about research.

Mr. PEARCE. OK.

Dr. FOWLER. First of all, there have monies been appropriated that haven't done anything down on the ground; we can use them.

And second, we have two pieces of ongoing research that are very, very timely. One is done by a member of the Range Prudent Task Force, and it's entitled the ''Inventory and Classification of Wildfire Occurrence in Treated Versus Untreated Forest Stands on Southwestern National Forests.'' They've gone to all of these major forests and looked within them to see if there were areas that had been previously treated and how did the fire react in these very difficult and very hot fires. And the results are very encouraging that the positive effects of silvicultural treatments are there for reducing fire intensity.

I think this is some landmark research that will make a lot of difference. This has been co-funded by the Rocky Mountain Forest organization in Flagstaff. This thing started 3 years ago.

There's another real nice piece that the Task Force is working on, and that's where we've gone to salvage cuts in the Lincoln. And we've looked at the relationship between the elk, mule deer and cattle in the salvage cuts. Once again, this is an area of great promise, and that's that the—based on the health group data, that the elk use log-forested areas to the same approximate extent as mountain meadows. So here we are, having all of this attention concentrated on the mountain meadows, but it's really suggesting let's get in there and log. The elk will move there, we'll talk, once again, it's another suggestion, strong suggestion for responsible harvest. And I just—I'm very fortunate that that also is co-funded by the Rocky Mountain Forest Station. We are progressing in terms of restoration.

I'm the eternal optimist. I really believe that we can take a different look at restoration and look at a 10-year period of restoration and use NEPA to help us get there. NEPA is a great tool if it is done correctly. We can go ahead and build a lattice around our National Forests, not just on the urban interface, but we're looking at a five-mile breaks all through our forests.

The five-mile breaks under the 10-year period, the first three will be done for fire suppression benefits. That will supply the initial contracts that we need in our private sector, allow us to get an equal Congress of the rest under one umbrella, NEPA forest harvest that incites specific EAs for each individual area, and then build on the forest lattice that we have for fire protection, and allow our communities to be, once again, productive in an economic harmony. This is a great opportunity, Congressman, and I really appreciate you taking the time to give us a chance beat our chest and tell you we have some things on the ground, and we need more.

Mr. PEARCE. Thank you.

Ms. Barrow, the—I want to back up and make an observation that too often we say that there's no money to do this or no many to do that, especially regarding fuel reduction and management of the forest. They will spend unlimited funds if it actually catches on fire, and they actually have spent unlimited funds. So my particular approach in this bill was, I'm not sure we can reach perfection of the bill but I think that we need to start cutting some trees before we burn every forest in New Mexico down.

I grew up in Hobbs and about the only—with six kids, the only place we could go on vacation was Cloudcroft, and that was for the

day. So since the early '50s I've seen that forest burn, either in the early '50s or late '40s there by Cloudcroft and it still doesn't have pine trees growing today. Fires can burn so hot that they do not come back in a generation.

I personally have seen that. That's my concern, that some of the damage we're doing will be not reversible, not only in our lifetime, but our children's lifetime. So I voted to, to accomplish this, to pass this bill. And it may have imperfections. That's the reason we do these field hearings. And if we're not doing enough restoration, and if we're not doing enough, Ms. McCarthy, for maintenance into the future, those are the red flags that you bring up and you raise here; and so that's the exact function. Because, never do you get an exact bill. You go back into the future and begin to tailor it to be what we need.

And so that's, again, my function here, first to let the agencies know what we had hoped to get.

Second, to get these feedbacks so that we can hand-tailor it just a little bit better for all of us in the future. And there is no one single group that should dominate this whole issue.

Now having said that, Ms. Barrow, you mentioned that there just haven't seemed to be much funds in the actual thinning and clearing processes that you are involved in are actually very small compared to the needs, that we're growing more board feet than we're actually harvesting out.

And it is our intent to increase the funding significantly for the reduction of fuels. I need people on the ground here to let me know that that's going on or not going on, and that the money is being spent the way that it should be, the way that it's not. I would ask you formally, and any one of you on the panel, to respond to, not only my office, but to the Committee, because we do need to know if these policies are being carried out in ways that they're designed. And if they're designed improperly, then let us know that too.

But I'm asking you and Dr. Fowler, you've got these charts that show dramatically the, the failure to cut any timber at all. And I would also ask you, formally, that if you will keep us posted as to how these numbers began to change. Frankly, we wonder as a Congress, when we appropriate funds for an agency to do certain things and they don't do them, then what do they use the people for and what do they use the funds for? And it's—that oversight responsibility is one that I find most people in Congress take very seriously, and I think this Committee does. But we just ask you to give us those feedbacks. And if you've got an observation that will be fine.

Ms. BARROW. I recognize since we've started this business that our—I, honestly, I have to say that my understanding from other folks in industry that I've talked to from across the West, that our relationship with our National Forests and other land managers is, in many cases, dramatically different, more salient, more responsive and more open than many people experience.

But I think it's important to note that we have been able to sit down together and identify an interdependent relationship that works to achieve the goals and objectives of the Land Management Agencies, as well as the private sector. We, my husband and I, in

fact, created this business in response to the need that was stated in a strategic plan of the USDA Forest Service.

So we, we personally took a trusting relationship from the get-go, and we have been able to—it's just like any relationship you have, you know, you have moments where you disagree but you don't divorce each other over it, you work through them.

And, in fact, we are thinning, and I thought it was a relatively small amount that had been identified when we first began, but, in fact, we have been on the ground a lot and actually been able to see and show our community the stuff all the way to the consumer. And it is working. It's very small. As I said in my remarks, we started in January of 2003 selling products, so we will just complete our first year of sales in January of 2004. And the future looks bright.

That said, it is—we must be vigilant with our land managers in identifying the ways to move material. Our business is driven by the treatment of the land. So, yes, it is happening where we are. We have a major constraint, workers' compensation. We have trade issues, which anyone in the wood industry in this nation, if you can deal with some of those Canadians, I'm there with you. I can get a room full of people to speak to you about how that impacts us in the wood industry.

But the trust issue is something that we have been able to actually achieve, in my opinion, with regard to what we're trying to do. And we have to recognize that everyone has their constraints. So we're very, very hopeful that not only will we continue, but increase the access to material.

Ms. Padilla and SBS, we have been to Mescalero, we've tried to figure out ways to utilize some of that small-diameter material that may or may not be available in the infrastructure that is completely missing, to load material and transport it. We had hoped very much, along with, I'm sure, many other folks, that some of these $20 for three-ton transportation credit that was in the energy bill would become available and, for us, it would have doubled our range in transport, and really made that last linkage to get material utilized that's either lying on the ground, and potentially is a bug infestation waiting, I mean it's just generation after generation. If we move it to our facility, we cook it at 1400 degrees, they don't survive.

Mr. PEARCE. Thank you.

Ms. Padilla, you have really fascinating projects. I have become very familiar with the thinning projects in your area first. We had discussed them in principle in state legislature back in 1997 and '98. I had my first thinning bill in the state legislature in '99, and then again in 2000. But you all were really the ones that gave a good visual demonstration. Tell me how the thinning projects affect water and springs. What do you all find in your area?

Ms. PADILLA. We've seen the most drastic changes with surface water. I've had, in our meetings that we have with the Ruidoso Wildlife and they work through—I'm also on the Otero Soil and Water Conservation Board, I've had private ranchers off the reservation see more results than we actually see on the reservation. And that's an indicator to me of the more far-reaching kind of results.

But I have had ranchers to the northeast of the reservation tell me they have seen streams flow that haven't flowed for decades. We've seen some springs come back. What we've started lately, we have a hydrologist that we funded through U.S. EPA, and the EPA funding is more water quality oriented. But we've been able to contribute some funding and allow them to monitor wells, and we haven't been doing that long enough, only about 2 years now, to really see changes. But we'd like to keep on monitoring that. Funding is a big issue.

Even with the thinning that we do, and Sherry had mentioned, having not been able to take wood off of the reservation, part of the problem is we run a very marginal thinning program. The Bureau of Indian Affairs is the one we contract funding through National Fire Plan. We give $500 an acre to be thinning.

That doesn't allow us to take material out of the woods. Usually we're junking it long and fair, is what we do, burning with piles and some broadcast burning. If we could have additional funding, you know, like you said, a lot of money, unlimited money is spent on putting out fires, but even a marginal increase in the thinning would really help to actually get material out of the wood so that people like Sherry could utilize it.

Mr. PEARCE. The initial target of our Healthy Forest bill was to begin to treat about 20 million acres. We've got about 190 million acres nationwide, so it would be a very small amount. But you can think that a lot of the pressures in the forest fires and the cost of those originate in the western area states, and if—and a lot of the states, frankly, don't need the treatment programs, they've got sufficient water to sustain whatever population exists.

So I suspect that the treatment areas will congregate in the western part of the U.S., and if we could depress the cost of the fires every year by stopping the number that actually break out and burn, then I think the available funding will become a larger and larger percent. We can scoop funds across from fire control to advanced planning and restoration.

The—we're up against a time limit. We're working for the Subcommittee and they work on very formal procedures. We've been allotted 2 hours and, frankly, if it were my hearing I would like to continue this because I think everyone here can see that we really did, with a pendulum swung too far to the one side, we've allowed our forest to overgrow.

The things that don't make sense, we would have fires that would kill the trees and then there would be impasses that would not allow us to harvest the burned trees until they have no value. And those things, whether we depended on, didn't need to swing back. But I think all of you have brought—everyone in the panels have made it clear that the pendulum doesn't need to swing all the other way.

And I especially Ms. McCarthy's points that had the pendulum swinging, that we need to make small business a very key part of this. My background is small business. When you mentioned Worker's Comp, I am very familiar with the different Worker's Comp rates. I can only imagine that you don't quite get to the Worker's Comp rate that we experience in the oil field because it's almost

dollar for dollar. And so it's a very expensive thing and I'm very familiar.

But I think that we've gotten enough information today to supplement other hearings like this that are going on across the country. Again, my hope is that we bring the pendulum back toward the middle, that we don't let it swing so far that we begin to take advantage of our resources. I think no one anywhere on the Resources Committee has ever said that clear cutting was anything that we're after.

What we're after is a sustainable resource that we give into the next generation and it's able to be there without burning. But I really do appreciate all of the panelists. It's been exceptional comments. It's been exceptional testimony.

We will—if any of you would like to submit additional testimony, again, your written comments are going on full, but please feel free to e-mail your additional testimony from anyone in the audience to Forest Health at Mail dot House dot Gov.. And that is Forest Health with a dot between the Forest and the Health. And Forest is capitalized and Health is capitalized.

So Forest dot Health at Mail dot House dot Gov, if would you like to put comments into the formal record for today. Also you can mail those to 1337 Longworth House Office Building, that's LHOB, Washington, D.C., 20515. The fax number, if you would like to fax me, is 202-225-0521. And we will keep the record open for this hearing for 10 days from today.

The testimony, the full testimony from the hearing will be posted on our website following the hearing. That is http://resourcescommittee.house.gov/archives/108/ffh/index.htm. You can come and see us if you want to. I think you can probably do a search and get it there.

Again, we thank each member of the panelists who testified before us. We think that for New Mexico, for, for both the future, because the National Forest is such an integral part of our livestock, our culture, but also that will be an integral part of our industry and our job base, that we'll continue these discussions, we'll continue to try to fine tune the legislation that we've passed this year.

It definitely changes the mix. We did not—we did not look at at a severe problem and go away without changing it. Now, then, it's our task to make sure that those changes are effective and that they're not too extreme one way or another. So if you will watch as we develop legislation next year, usually get a chance to review that legislation, please feel free to make those comments to us as you see that and continue to have a citizen input into the Federal government, because this is what makes it work properly.

If there is no further business before the Subcommittee I again thank our witnesses, each panel.

The Subcommittee now stands adjourned.

[Whereupon, the Subcommittee was adjourned.]

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